

**SECOND  
ASIAN ECONOMIC SEMINAR  
PYONGYANG**



of

Delegates of Asian Economic Bureau and Participants  
from Asia, Africa and Oceania.

**VOLUME ONE**

***JUNE 16TH-23RD 1964***



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## INTERNATIONAL PREPARATORY COMMITTEE MEETING

The meeting of the International Preparatory Committee of the Asian Economic Bureau for the Asian Economic Seminar was held in Pyongyang, the capital of the Democratic People's Republic of Korea, on June 14, 1964.

The meeting was attended by Theja Gunawardhana, Chairman of the Asian Economic Seminar Committee (Ceylon) and the delegations of member nations of this organization.

Mrs. Gunawardhana, presided.

The meeting discussed problems on the convening and proceeding of the Asian Economic Seminar.

The following were adopted as the Seminar basic reports, in accordance with the decisions of the Bureau which met in Colombo in March 1964.

1. "On Self-Reliance and the Construction of an Independent National Economy" (Report by Korean Delegate)

2. "Neo-colonialism and Asian Economies" (Report by Indonesian Delegate)

3. "Neo-colonialism and African Economies" (working papers)

"On enhancing economic co-operation among Asian countries on the basis of self reliance in order to promote the development of independent national economy. (Report by Chinese Delegate)

5. "Trade Relations Among the Asian and African Countries" (Report by Japanese Delegate)

It was decided to open the Asian Economic Seminar in Pyongyang on June 16, 1964. 4. p. m. at the Moronbung Theatre.

### **B. Presidium of the Asian Economic Seminar**

It was decided to form the Presidium for the proceedings of the Asian Economic Seminar with delegates of Ceylon, China, Indoesia, Japan, Korea, Pakistan, the Democratic Republic of Vietnam and South Vietnam—the member countries of the Asian Economic Seminar—as well as four African countries.

The delegates of these four African countries will be elected by the delegates to the current Asian Economic Seminar. The leader of the Korean delegation Mr. Nam Choon Hwa and Mrs. Theja Gunawardhana, Chairman of the Asian Economic Seminar Bureau, were respectively elected as Chairman and Secretary-General of the Seminar.

The Preliminary Session warmly welcomed the guests to the Asian Economic Seminar from Asia, Africa and Oceania and decided to invite them to take part in all the work of the Seminar on an equal footing with the member countries.

### **C. Drafting committee for Asian Economic Seminar Declaration and Resolutions**

For preparing the draft Declaration and Resolutions to be adopted by the Asian Economic Seminar, the Seminar decided that the drafting committee consist of members of the Presidium: Ceylon, China, Indonesia, Japan, Korea, Pakistan, the Democratic Republic of Vietnam, South Vietnam which are member nations of the Asian Economic Seminar, and the four African countries nominated by the African delegates.

### **D. Rules of Procedure for the Asian Economic Seminar**

1. The Asian Economic Seminar is held in the spirit of building an independent national economy by relying on one's own efforts and strengthening mutual understanding and co-operation, friendship and solidarity on the basis of the common aspirations for achieving national liberation including economic liberation and consolidating national independence, against imperialism and old and new colonialism.

2. All delegates and guests are entitled to take part freely in the discussion of all the items on the agenda under consideration on an equal footing.

3. All papers and speeches shall be submitted in advance to the technical secretariat in writing for translation.

4. English and French shall be the official languages of the seminar.

## Head of Delegations Meeting

Algeria, Angola, Australia, Basutoland, Cameroon, Ceylon, China, Congo, (Brazzaville) Congo (Leopoldville), Gambia, Japan, Korea, Mozambique, Nepal, Niger, New Zealand, North Kalimantan, Palestine, South West Africa, Sudan, Thailand, Uganda, D. R. of Viet-Nam, South Vietnam, Ghana, Indonesia, Republic of Mali, Rwanda were represented.

On June 15, 1964, the conference of the leaders of delegations from various countries participating in the Asian Economic Seminar was held in Pyongyang, Moronburg Theatre.

Present at the meeting were the leaders from 28 countries. Theja Gunawardhana, Chairman of the Asian Economic Bureau welcoming the guests gave a brief history of the Bureau.

The guests from Africa and other regions expressed their deep gratitude to the Asian Economic Seminar Committee for inviting them to take part in all the proceedings of the Seminar as full participants enjoying the same rights as the member nations of the Seminar Committee. The following recommendations of the preparatory Committee were tabled by the Chairman:—

The delegates from four\* African countries, together with those from eight Bureau member nations, will be included in the Presidium of the Asian Economic Seminar.

The Presidium will also function as the Steering and Drafting Committee,

The Draft agenda, draft programme and draft rules of procedure of the Seminar were adopted unanimously at the meeting.

It was announced that the Asian Economic Seminar would open at 16:00 on June 16, 1964, with the congratulatory speech by Choi Yong Kun, President of the Supreme People's Assembly of the Democratic People's Republic of Korea.

The chairman of the Korean Preparatory Committee Nam Choon Hwa said: —

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\* With the later arrival of the Algerian delegate, this number was raised to five.

"I am very glad to give my hearty welcome to you dear friends from many countries of Asia, Africa and Oceania who have come to our country for the Asian Economic Seminar.

As you know, it was decided at the Colombo meeting of the Permanent Secretariat (Bureau) that the Asian Economic Seminar be held in June this year in Pyongyang, the capital of the D. P. R. K.

The Permanent Secretariat of the Seminar Committee entrusted the Korean Committee with the necessary preparatory work for the Seminar.

We have done our best to meet this responsibility.

But there may be some defects in our arrangements. We hope that you will express your frank opinion and advice in this connection for the successful proceeding of the Seminar.

There may be some inconveniences in your daily life because of different venues, of lodging and cars. And we shall be very obliged if you will, nevertheless, appreciate our sincerity with which we have done our best, mobilizing all we have, to receive you honourable guests. The technical and practical services for this Seminar are arranged as follows:

As the conference site, this Moronbong Theatre has been assigned. The seating of delegations from the Seminar's member nations and other countries participating is in the order of the English alphabet.

Speeches will be simultaneously translated into Korean, English, French and Chinese and conveyed to the participants by the receivers installed in the hall. Conference documents will be available in the documents room located in the western hall on the first floor.

A lounge is ready for the convenience of all delegates and other participants, where drinking water, tea and refreshments are available.



Now, I would like to inform you in brief of the arrival of the delegations.

So far, delegations of 28 countries have arrived, and delegations of 5 more countries are on their way to Pyongyang.

We are making efforts to offer every convenience to all of you who are to take part in the Seminar.

After the seminar, we would like to have the honour of inviting you to see factories, farms, scientific and cultural institutions both in Pyongyang and local districts of our country with a view to acquainting you with the aspects of the life of our people."

# LIST OF PARTICIPANTS

No, Country	Name	Positlon in Public Life
1. Algeria	<b>Temmar Hamid</b> (Head)	Chief of the Economic Secretariat of the Political Bureau of the F. L. N. Party.
2. Angola	<b>Dacruz Viriato</b> (Head)	Angolan Nationalist Leader.
3. Australia	<b>Rev. Victor James</b> (Head)	Chairman of Australian Peace Liaison Committee.  Broadcaster — 3xy Radio Melbourne; Editor, Monthly Magazine "The Beacon"  Vice-Chairman, Asian and Pacific Liaison Committee;  Exeutive Member, Australian Council for Civil Liberties
	<b>Betty Margaret Little</b> (Member)	Secretary of the Australian Peace Liaison Committee
4. Basutoland	<b>Tello Nkhereanye</b> (Head)	Member of the Basutoland Congress Party
5. Bechuanaland	<b>Bobby Mack</b> (Head)	Leader of Bechuanaland People's Party Youth League.
6. Bolivia	<b>Mario Felery Garate</b> (Observer)	Public Figure
7. Cameroon	<b>Fasso Francois</b> (Head)	Secretary-General of the Democratic Youth of Cameroon,
8. Ceylon	<b>Mrs. Theja Gunawardhana</b> (Head)	Chairman of Asian Economic Bureau, Colombo.
	<b>Marie De Silva</b> (Member)	Economist,
9. The P. R. of China	<b>Nan Han Chen</b> (Head)	Member of the Standing Committee National People's Congress,  President, China Council for the Promotion of International Trade;  Chairman, Board of Directors, Bank of China;  Vice-President, Chinese-African People's Friendship Association Vice-President, China Council for the Promotion of International Trade,
	<b>Yung Lung-Keui</b> (Deputy Head)	
	<b>Hsu Sheng-Wu</b> (Secretary General).	Deputy. chief, Department of Publicity, China Council for the Promotion of International Trade,

	<b>Li Mao-Chai</b> (Member)	Member, China Council for the Promotion of International Trade,
	<b>Ho Wei</b> (Member)	Member, China Council for the Promotion of International Trade,
	<b>Cheng Hsi-Meng</b> (Member)	Director, Research Department, China Council for the Promotion of international Trade,
	<b>Yang Hsi-Meng</b> (Member)	Vice-Director, Research Department, China Council for the Promotion of International Trade,
	<b>Lin Chi-Hsin</b> (Member)	Vice-Director, Financial Research Institute of the People's Bank of China,
	<b>Chen Ti-Pao</b> (Member)	Secretary for China in the Asian Economic Bureau,
	<b>Li Chuan</b> (Member)	Vice-Director, Research Department, China Council for the Promotion of International Trade,
	<b>Meng Hsien-Ju</b> (Member)	Secretary, Chinese Committee for Afro-Asian Solidarity,
	<b>Chang Ti-Hua</b> (Member)	Fellow, Research Department, China Council for the Promotion of International Trade.
	<b>Kuang Jih-An</b> (Member)	Vice-director Institute of Economics, Academia Sinica,
	<b>Pan Ching-Yuan</b> (Member)	Fellow, Research Department, China Council for the Promotion of International Trade,
10. The Congo (Brazzaville)	<b>Mahouta Francois</b> (Head)	Economist
	<b>Sela Andre</b> (Member)	
11. The Congo (Leopoldville)	<b>Singama Luvila</b> (Head)	Representative of the Council of National Liberation
	<b>Mwanga Zacharie</b> (Member)	Militant of C. N. L.
12. Gambia	<b>I. M. Garba-Jahumpa</b> (Head)	Leader of the Gambia Congress Party,
13. Ghana	<b>Kwesi-Ghapson</b> (Head)	Party Activist, Convention People's Party (C.P.P.) Professor,
	<b>Annoh-Oprensen</b> (Member)	Party Activist, Convention People's Party,
14. Indonesia	<b>F. Runturambi</b> (Head)	Member of Parliament; Economist; Vice-Chairman of the Economic Institute of the Indonesian Scientists Organization,

		<b>Suprijo</b> (member)	Member of the Executive Committee of Asian Economic Seminar Bureau, Chairman of the Economic Bureau of the Indonesian Committee for Afro-Asian Solidarity
15. Iraq		<b>Mohamed Hassan Abdull Majeed</b> (Head)	Businessman, Lawyer, Member of the Board of Baghdad Chamber of Commerce,
		<b>Yarob Fahmi Said</b> (Member)	Director of Industrial Relations of Iraqi Federation of Industries; Lawyer, Lecturer in the University,
16. Japan		<b>Tokuma Utsunomiya</b> (Head)	Member of the House of Representatives,
		<b>Kinkazu Saionji</b> (Advisor and Member)	Permanent Director of Japanese Afro-Asian Solidarity Committee, Writer;
		<b>Shujiro Tanaka</b> (Member)	Secretary-General of the Economic Committee, for Afro-Asian Solidarity.
		<b>Hiroshi Umehara</b> (Member)	Secretary for Japan in the Asian Economic Bureau in Colombo, Ceylon,
		<b>Riichiro Aikawa</b> (Member)	Managing Director of the Japan-Korea Trade Association,
		<b>Yoshiharu Kitada</b> (Member)	Vice - Professor of the Tokyo College of Economics; Member of Japanese Economic Committee for Afro-Asian Solidarity,
		<b>Masao Kitazawa</b> (Member)	Japanese Delegate, the Permanent Secretariat for Afro-Asian People's Solidarity;
		<b>Hidehiko Goto</b> (Member)	Secretary to Mr. Tokuma Utsunomiya,
17. Kenya		<b>F. N. Machariya</b> (Head)	President of Kenya Chamber of Commerce and Industry
		<b>Nicholas Phillip Gor</b> (Member)	Secretary-General (K.C.C. and I.) Founder Member of Commercial News Exchange South Nyanza African Road Service Ltd.
18. D. P. R. of Korea	1.	<b>Nam Choon Hwa</b> (Head)	Vice Chairman of Korean Committee for Promotion of International Trade,
	2.	<b>Jun Byung Chul</b> (Deputy Head)	Vice-Chairman of Korean Committee for Afro-Asian Solidarity
	3.	<b>Ri Suk Sim</b>	Member of the Standing Committee of the Academy of Social Sciences,
	4.	<b>Ri Joo Gyo</b> (Secretary General)	Vice-Chief of the International Department of Korean Committee for Promotion of International Trade,

- |     |   |  |
|-----|---|--|
| 5.  | <b>Bang Ho Sik</b><br>(Member)            | Member of Korean Committee for Promotion of International Trade,   |
| 6.  | <b>Kim Gwang Jin</b><br>(Member)          | Academician, Professor, Chief of Economic Research Institute under the Academy of Social Sciences,                                   |
| 7.  | <b>Ok In Sup</b><br>(Member)              | Member of Korean Committee for Promotion of International Trade,   |
| 8.  | <b>Bak Yung Geun</b><br>(Member)          | Director and Member of the Standing Committee of the Academy of Social Sciences  |
| 9.  | <b>Hong dal Sun</b><br>(Member)           | Chief of the Rural Economy Research Room of Economics Research Institute under the Academy of Social Sciences; Corresponding Member, |
| 10. | <b>Kim Chang Sup</b><br>(Member)          | Member of Korean Committee for Afro-Asian Solidarity   |
| 11. | <b>Kim Sum Je</b><br>(Member)             | Chair Head of the Kim II Sung University.  |
| 12. | <b>An Gwang Jeup</b><br>(Member)          | Chair Head of the Kim II Sung University,  |
| 13. | <b>Choi Jeung Sam</b><br>(Member)         | Researcher of the Academy of Social Sciences,  |
| 14. | <b>Kim Myun Rye</b><br>(Member)           | Vice-Director of Ministry of Trade,  |
| 15. | <b>Kim Eul Chun</b><br>(Member)           | Researcher of the Academy of Social Sciences.  |
| 19. | Republic of Mali                          |  |
|     | <b>Hon: S. B. Kouyate</b><br>(Head)       | Minister of Development,   |
|     | <b>B. Traore</b><br>(Member)              | Secretary of Trade Unions.   |
|     | <b>Sori Sissoko</b><br>(Member)           | Agronomist,  |
| 20. | Mozambique                                |  |
|     | <b>Lourenco Mutaca</b><br>(Head)          | Financial Secretary; Member of the Central Committee of Mozambique Liberation Front,   |
| 21. | Nepal                                     |  |
|     | <b>Poorna Bahadur</b><br>(MA) (Head)      | Member, Standing Committee of State Council, His Majesty's Government of Nepal,  |
|     | <b>Radha Laxmi Shrestha</b><br>(Observer) | Medical Staff,   |
|     | <b>Pashupati Nath Chesh</b><br>(Member)   | Member, Standing Committee of State Council, His Majesty's Government of Nepal, Chairman of the Birgung City Municipality,           |

- |                       |   |   |
|-----------------------|---|---|
| 28. Niger             | <b>Aboubakar Abdou</b><br>(Head)          | Member of Sawaba Party,   |
| 23. New Zealand       | <b>Rewi Alley</b><br>(Head)               | Writer, Member of Asian Pacific Peace Liaison Committee,  |
| 24. North Kalimantan  | <b>Achmad Fadillah</b><br>(Head)          | Assistant Minister for Foreign Affairs, Secretary of North Kalimantan Organization for Afro-Asian People's Solidarity,                  |
|                       | <b>Mohamed Jais Abbas</b> (Member)        | Secretary of Ministry of Information, Executive Member of the People's Party of North Kalimantan, Head of North Kalimantan Youth Front, |
|                       | <b>Achmad Jusuf</b> (Member)              | Official of the Prime-Minister's office; Member of the North Kalimantan Liberation Front,   |
| 25. Palestine         | <b>Saleh Hussein</b><br>(Head)            |   |
|                       | <b>Salim Mahmoud</b><br>(Member)          |   |
|                       | <b>Abdel Hadi Rashid</b><br>(Member)      |   |
| 26. Rwanda            | <b>Kayihura Michel</b><br>(Head)          | Vice-President of UNAR  |
|                       | <b>Kangabo Kizito</b><br>(Member)         | Member of the Steering Committee of UNAR; Professor,  |
| 27. Somali            | <b>Abdul Aziz Nur Hersi</b> (Head)        | Lawyer, Deputy in the National Assembly,  |
|                       | <b>Farah</b><br>(Member)                  | Buisnessman, Member of the Central Committee of the Somali Democratic Union,  |
| 27. South West Africa | <b>Katjimuina Veii</b><br>(Head)          | Youth leader of Swanu, South West Africa,   |
| 29. Sudan             | <b>Ahmed Mohamed Kheir</b> (Head)         | Writer, Journalist,   |
|                       | <b>Zeller Margaretha Kheir</b> (Observer) | Teacher,  |
| 30. Syria             | <b>Abdul Fattah Yuness</b><br>(Head)      |   |
| 31. Thailand          | <b>Sa-Ing Marang-Kul</b><br>(Head)        | Ex-member of Parliament of Thailand,  |
|                       | <b>Suchint Akrasmit</b><br>(Member)       | Assistant Editor of "The Economic"  |
| 32. Uganda            | <b>M. Wadada</b> (Delegate)               | Administrative Secretary U. P. C.; Politician. Vice-Chairman of Uganda Labour Consultative Council,                                     |
| 33. D. R. of Vietnam  | <b>Doung Van Dam</b><br>(Head)            | President of the Chamber of Commerce of the Democratic Republic of Vietnam,   |

- |                   |                                      |   |
|-------------------|--------------------------------------|---|
|                   | <b>Nguyen Dai</b><br>(Member)        | Deputy-Secretary-General of the Chamber of Commerce of the D. R. V.                         |
|                   | <b>Nguyen La Con</b><br>(Member)     | Chief of Section of International Relations of Vietnam Committee for Afro-Asian Solidarity, |
|                   | <b>Phan Huu Doi</b><br>(Member)      | Commercial Attache of the Embassy of the D. R.V.in Korea,                                   |
| 34. South Vietnam | <b>Nguyen Thi Binh</b><br>(Head)     | Member of the Central Committee of South Vietnam National Liberation Front; Professor,      |
|                   | <b>Le Thi Cao</b><br>(Member)        | Teacher.  |
| 35. Zanzibar      | <b>Ali Mbaruk Muhammed</b><br>(Head) | General Secretary (Z. P. C. M. L. G. W. U.) (F. R. T. U.)                                   |

# ASIAN ECONOMIC SEMINAR

June 16 (Tuesday) 1964

## Opening Session

*Chairman:* Nam Choon Hwa, Leader of Korean Delegation.

Opening Remarks by Mme Theja Gunawardhana,  
chairman of the Asian Economic Bureau.

Congratulatory Speech by His Excellency Choi Yong Kun,  
President of the Presidium of the Supreme People's Assembly  
of the Democratic People's Republic of Korea,

Opening Address by Mme Theja Gunawardhana,  
Chairman of the Asian Economic Bureau.

Congratulatory speech by: Katjimuina Veii, South  
West African Delegate representing Africa.

Palestinian Delegate, representing Arab countries.

Rev Victor James, leader of Australian Delegation,  
representing Oceania.

Report on the Work of Asian Economic Bureau by  
Hiroshi Unehara, Member of the Secretariat of the Asian  
Economic Bureau.

Reading of Congratulatory Telegrams from:

Chou En-lai, Premier of the State Council of the People's  
Republic of China.

Zulfikar Ali Bhutto, Foreign Minister of Pakistan.

Xuan Thuy, Foreign Minister of Vietnam Democratic  
Republic.

Hon. T. B. Ilangaratne, Internal and External Trade  
Minister of Ceylon.



Peace Liaison Committee for the Asian and Pacific Regions.

Chinese Committee for Afro-Asian Solidarity.

Chinese People's Committee for World Peace.

L. Lobah-Sebette, President, C. A. F. P. (Brazzaville).

Secretary – General, African Independence Party of Portuguese Guinea and Cape Verde Islands.

Chinese Council for the Promotion of International Trade.

Congratulatory Address of the Korean Young Pioneers and the Address in Reply by Mme Theja Gunawardhana,

## **Second Day Sessions**

**June 17 (Wednesday)**

### **Morning Session**

*Chairman:* Nguyen Thi Binh, Leader South Vietnam Delegation.

Memorial Address by Theja Gunawardhana on the Chinese Economist, the late Dr. Chi Chao-ting.

Basic Report on the First Item of the Agenda: **“On Self-reliance and the Construction of an Independent National Economy”** by Nam Choon Hwa, Leader of Korean Delegation.

Speeches on the First Item of the Agenda by:

Duong Van Dam, Leader of the Democratic Republic of Vietnam.

Tokuma Utsunomiya, Leader of Japanese Delegation.

### **Afternoon Session**

*Chairman:*

Hon: Seydou Badian Kouyate, Leader of Mali Delegation

**Speakers:**

Ahmed Mohamed Kheir, Sudan.

Suprijo, Indonesia.

Temmar Hamid, Algeria.

I. M. Garba-Jahumpa, Gambia.

F. M. Macharia Kenya.

Yung Lung-kuei, China.

**Third Day Sessions**

**June 18 (Thursday)**

**Morning Sessions**

*Chairman:* Kwesi-Ghapon, Leader of Ghanaian Delegation.

Speeches by:

M. Wadada, Uganda

M. Francois Congo. (B)

Rewy Alley, New Zealand.

Tello Nkhereanye, Basutoland.

Ri Suk Sim, Korea.

Singama Luvila, Congon. (L)

Le Thi Cao, South Vietnam.

Nicholas Philip Gor, Kenya.

Conclusions on the first Item of the Agenda by Nam Choon Hwa, Leader of Korean Delegation.

**Afternoon Session**

*Chairman:* F. Runturambi, Leader of Indonesian Delegation.

Basic Report on the Second Item of the Agenda. "Neo-Colonialism and Asian Economies" by F. Runturambi  
Indonesia

Speeches on the Second Item of the Agenda by :

Achmed Fadillah, North Kalimantan.

Poorna Bahadur, Nepal.

Nguyen Thi Binh South Vietnam Delegation.

## **Fourth Day Sessions**

**June 19(Friday)**

### **Morning Session**

*Chairman:* Dacruz Viriato, Angola.

Memorial address by Chairman Nam Hwa on the death of Kingue Abel, Vice-Chairman of the People's Union of Cameroon.

Speech by Fasso Francois in memory of Comrade Kingue Abel, Vice-Chairman of the People's Union of Cameroon.

Speeches on the Second Item.

Duong Van Dam, Democratic Republic of Vietnam

Sa-Ing Marang-Kul, Thailand

Rev Victor James, Australia

Bang Ho Sik, Korea

Marie de Silva, Ceylon

### **Afternoon Session**

*Chairman:* F. N. Macharia, head of the Kenyan Delegation.

F. Runturambi, head of the Indonesian delegation sums up discussion on second item on the agenda.

Papers relevant to third item, **Neo-Colonialism and African Economies**

Heroic Struggle of the African People against imperialism and Neo-Colonialism" (By Fasso Francois, Cameroon.

"Experiment of Ghana on Economic Reconstruction" (By Kweis- Ghapson, Ghana

"Economic Aspects of Neo-Colonialism". (By Singama Luvila, of Congo (L) ).

Discussion on the third item on the agenda.

F. N. Macharia, (Kenyan.)  
 Nicholas Philip Gor, (Kenya.)

### **Fifth Day Session**

#### **June 20 (Saturday)**

#### **Morning Session**

*Chairman:* Tokuma Utsunomiya and K. Saionji Leader and Deputy leader of Japanese delegation.

**Speakers:** Sori Sissoko, of Mali.

Saleh Hussein Palestine

Dacrus Viriato, Angola

Ahmed Mohamed Kheir, Sudan.

Kayihura Michel, Rwanda

Aboubakar Abdou, Niger

M. Wadada, Uganda.

Bobby Mack, Bechuanaland.

Rewi Alley delegate of the Peace Liaison Committee of the Asian and Pacific Regions.

#### **Afternoon Session**

*Chairman:* Temmar Hamid, head of Algerian delegation.

Conclusions on third item of agenda by Temmar Hamid.

Basic Report on the fourth item on the agenda **How to Develop Relations of Economic Co-operation Among the Asian Countries on the basis of self reliance for promoting independent national economy.** (By Nan Hanchen, head of the Chinese delegation).

Discussions on the fourth item on the agenda.

Katjimuina Vei, Southwest Africa

Lourenco Mutaca. Mozambique ,

Garba-Jahumpa. Gambia ,

Bak Yung Geun, Korea

## Sixth Day Sessions

June (22 Monday)

### Morning Session

*Chairman:* Mme. Nguyen Thi Binh, head of the South Vietnamese delegation.

Reading of congratulatory telegrams from the Japanese Afro-Asian Solidarity Committee, Japanese Economic Committee for Afro-Asian Solidarity, Japanese Committee for the Promotion of International Trade, Japan-China Trade Association, Japan-Korea Trade Association, Japan-Vietnam Trade Association, and the Japan Afro-Asian Institute.

Discussions on fourth Suprijo, Indonesia item  
Poorna Bahadur, Nepal  
Abdulaziz Nur Hersi, Somali  
M. Francois Congo (B)  
Ali Mbaruk Muhammed Zanzibar  
Sa-Ing Marang-Kul, Thailand  
Nguyen Dai, VDR  
Singama Luvila, Congol (L)

Conclusions by Nan Han-chen, head of the Chinese delegation, on the fourth item on the agenda

Basic paper on "Trade Relations among Asian and African Countries," the fifth item on the agenda (By Shujiro Tanaka, Japan,

### Afternoon Session

*Chairman:* Hon. S. B. Kouyate, head of the Mali delegation

Kim Gwang Jin, Korea  
Tello Nkhareanye, Basutoland  
Betty Margaret Little, Australia

Ahmed Mohamed Kheir, Sudans

**Seventh Day Sessions****June 23 (Tuesday)****Morning Session**

*Chairman:* Nam Choon Hwa, leader of the Korean delegation  
(Discussants) Suprijo, Indonesia  
Wadada, Uganda

Conclusions on the fifth item on the agenda by Yoshihara Kitada, Japan

**Closing-Session (June 23)**

Adoption of the Pyongyang Declaration "On the Construction of an Independent National Economy by Relying on One's Own Efforts"

Adoption of Resolutions of the Asian Economic Seminar

**Congratulatory Speeches on the Closing of the Asian Economic Seminar**

Congratulatory speech by Kayihura Michel, head of the Rwanda delegation

Congratulatory speech by Kwesi-Ghapson, head of the Ghanaian delegation

Closing address by Mme. Theja Gunawardhana, Chairman of the Asian Economic Bureau

Concluding speech by Nam Choon Hwa, Chairman Asian Economic Seminar

## OPENING SESSION

### Theja Gunawardhana

Your Excellency, Choi Yong Kun, President of the Presidium of the Supreme People's Assembly of the Democratic People's Republic of Korea, Honourable Kim Il, First Vice Prime Minister, Hon: Pak Seung Cheul, Minister of Foreign Affairs, dear friends, fellow delegates, in the name of the Asian Economic Bureau I declare this historic Pyongyang Economic Seminar open.

I now call upon His Excellency Choi Yong Kun to give the opening congratulatory speech.

### H. E. Choi Yong Kun speaking said

Esteemed delegates,

Dear friends,

The current Asian Economic Seminar has been called reflecting the lofty aspiration of the peoples of Asia, Africa and Latin America for cementing their solidarity in the struggle against imperialism and colonialism, building independent national economies, and developing relations of economic co-operation among nations on the principles of equality and mutual benefit. We take great pleasure in having the international meeting of such weighty significance held in our capital, Pyongyang.

On behalf of the Government of the Democratic People's Republic of Korea, I heartily welcome the delegates who have come to attend the meeting from many countries of Asia, Africa and Oceania, and convey to you the warm greetings from our people. And I sincerely hope that the current meeting will fully conduct discussions on all questions and attain great results.

Today in Asia, Africa and Latin America, all the oppressed nations have come out in the struggle for freedom and independence and the national-liberation revolution is winning great victory.

The day is gone when the imperialists could run wild in oppressing and plundering the peoples at will. The chains of colonial slavery are being broken asunder everywhere by the powerful blows dealt by the national-liberation movement, and the accursed imperialist colonial system, which brought so much misfortune and sufferings to the millions upon millions of people, is crumbling irretrievably.

Since World War II the peoples of more than fifty Asian, African and Latin American countries have already won national independence, extricating themselves from the oppression of imperialism. Those peoples that have yet to free themselves from the colonial yoke are waging a heroic struggle against the foreign, imperialist, aggressive forces.

The peoples of South Vietnam, Laos, Angola, Mozambique and other colonial and dependent countries are fighting for freedom and independence, in an armed struggle and the flames of national-liberation struggle are flaring up ever more fiercely all over Asia, Africa and Latin America.

The Korean people who were once subjected to the colonial rule of Japanese imperialism for a long time and half of whose land is now under the U. S. imperialist occupation, are always standing firmly on the side of the oppressed nations. Our people extend active support and encouragement to the peoples of the Asian, African and Latin American countries who are fighting for freedom and independence, against the imperialist oppression and plunder, and rejoice over, as over their own, all the successes won by them in the liberation struggle.

The imperialists are resorting to every desperate means to retain or restore their crumbling colonial system.

The U. S. - led imperialists are scheming to strangle the national-liberation struggles and to put again the noose of neo-colonialism around the neck of the newly independent peoples. The U. S. imperialists are outrageously interfering in the internal affairs of many countries of Asia, Africa and Latin America, and are even waging criminal aggressive wars against the peoples who have risen in the liberation struggle.



The imperialists' economic domination and subjugation of developing countries are the main feature of neo-colonialism. Through a huge amount of capital export and various colonial concessions the imperialists have seized the major economic arteries in many countries of Asia, Africa and Latin America. Thus, the imperialist monopoly capital continues to plunder the rich resources of these countries and ruthlessly exploit their peoples.

The present situation demands the peoples of Asia, Africa and Latin America to continue to fight resolutely against imperialism and old and new colonialism and especially concentrate their attack on U. S. imperialism, the bulwark of present-day colonialism.

Colonialism of all forms must be swept away once and for all from the surface of the globe and all the oppressed and maltreated nations must build up their independent countries and achieve social progress and national prosperity.

A broad avenue to national resurrection has been opened up before the peoples of these countries which have freed themselves from the imperialist oppression and attained political independence. Political independence, however, does not mean the completion of the anti-imperialist national-liberation revolution. We consider that to consolidate national independence and achieve the prosperity of the country, the people must keep up a resolute struggle against the aggressive machinations of the old and new colonialists, and in the economic field, too, they must take the road of independent development, casting off the yoke of imperialism.

Economic independence is the material basis for political independence. Without an independent economy no nation can achieve genuine independence. Only those countries which have independent national economies can proceed to the international arena as full-fledged independent states enjoying equal rights with other countries of the world, big and small, and establish relations of co-operation with other countries on the principles of complete equality and mutual benefit.

Independent national economy is the foundation for the development of the country and the prosperity of the nation. Without the foundations for an independent national economy, it is impossible to build a rich, powerful independent state, develop sciences, technology and culture, and improve the living of the people. Historical experience shows that every nation without exception can enjoy all the benefits of modern civilization only when it builds modern industry and develops rural economy, sciences and technology.

The building of an independent national economy in the Asian, African and Latin American countries is a problem of historical significance not only for the complete independence and prosperity of these countries but also for the progress of all humanity. Through their heroic liberation struggle, the peoples of Asia, Africa and Latin America have emerged as a great revolutionary force of our age and are making an outstanding contribution to the common cause of the world peoples for peace and social progress. When all the countries in this vast area making up two-thirds of the world population and having inexhaustible resources liquidate once and for all the imperialist domination and the centuries-old backwardness resulting therefrom and are turned into modern industrial states with a solid independent economic foundation, a great turn will be brought about in the development of the economy and culture of the world. We are living in the era of such great change.

Therefore, all the oppressed nations striving for national liberation and prosperity and aspiring after the progress of mankind must fight, holding aloft the banner of anti-imperialism, the banner of political and economic independence, and all the progressive peoples of the world must support and encourage the sacred struggle of the oppressed nations.

The people can win freedom and liberation only through their own struggle. Many countries in Asia, Africa and Latin America have been able to win political independence because they waged an arduous anti-imperialist liberation struggle, enlisting support and encouragement from progressive humanity. They can register success also in the struggle for consolidating

the political independence they have won and building an independent national economy only when they rely mainly on their nation's own strength.

Self-reliance this is solely correct and most reliable way for political and economic independence and for national prosperity.

Today the imperialists are prattling that without their "aid" the peoples of Asia, Africa and Latin America cannot get rid of backwardness and poverty. This is a sheer lie and deception. Quite on the contrary, owing to the imperialists' domination and plunder perpetrated under the name of "aid", the countries in these areas are still in an underdeveloped state despite their rich human and material resources.

The imperialists' "aid" is nothing but a tool for subordinating and plundering underdeveloped countries economically and, furthermore, for establishing political domination over them. This is clearly proved by the situation in South Korea, South Vietnam and all other countries "aided" by the imperialists.

The political and economic aggression of the imperialists committed under the cloak of "aid" must be resolutely rejected and an independent national economy must be built by mobilizing mainly the strength of one's own people and the resources of one's own country on the principle of self-reliance.

When the oppressed peoples are completely freed from the sway of imperialism and social fetters of every kind and, firmly grasping their destinies in their hands, come out to build a new life, they can bring into full play their inexhaustible might and talent. As a matter of fact, if hundreds of millions of people in Asia, Africa and Latin America liquidate the imperialist aggressive forces in cooperation with the former, and mobilize to the utmost the internal forces and wealth of the nation, as genuine masters of their country, they can certainly build an independent, prospering modern industrial country.

It is posed as a very urgent question of the moment for the peoples of Asia, Africa and Latin America to firmly unite and

closely co-operate with each other in the fight for complete political and economic independence against imperialism and colonialism.

The close ties and mutual co-operation among the liberated peoples constitute an important guarantee for frustrating the imperialists' designs of launching new aggression and economic subjugation and for consolidating the political sovereignty of their countries and promoting the development of their national economy and culture.

The Government of the D. P. R. K. and the Korean people are consistently striving for strengthening friendship and solidarity with the peoples of Asian, African and Latin American countries and for expanding economic and cultural co-operation and intercourse with these countries on the principles of equality and mutual benefit. Today the relations of friendship and co-operation between our country and the countries in these areas are gaining in scope and strength as days go by, and this is a source of great joy for us.

We will continue our efforts to further develop state, economic and cultural relations with these countries and to expand and strengthen our mutual co-operation.

I believe that the peoples of all the countries in Asia, Africa and Latin America should endeavour to support each other and co-operate more closely, firmly united under the banner of opposing imperialism and colonialism and the banner of complete liberation and independence.

Unity will increase the might of the people several-fold, and if we are closely united in our struggle, we can ultimately defeat imperialism and colonialism.

Dear friends,

The present Asian Economic Seminar will exchange opinions and experiences as regards the economic development of Asian, African and Latin American countries and jointly explore reasonable measures for accelerated economic development in these countries.

The Seminar will do much towards deepening mutual understanding between the peoples of Asia, Africa and Latin America and towards carrying out the struggle of the peoples in these areas more successfully against imperialist subjugation and for political independence and economic self-sustenance.

The Seminar will also make a great contribution to developing economic intercourse and the relations of co-operation on the principles of complete equality and mutual benefit among the Asian and African countries.

We are very glad to have this opportunity to directly show you foreign friends the results the Korean people have achieved in the socialist revolution and socialist construction under the guidance of the Workers, Party of Korea.

You delegates from Asia, Oceania and Africa will be accorded warm welcome by our working people everywhere you go, and witness how they are fighting and living. I think this will mark a new turn in strengthening friendship and solidarity between the peoples of our country and your countries.

In conclusion, I expect and firmly believe that the present Seminar will contribute to the strengthening of militant solidarity and unity of the people of Asia, Africa and Latin America in their struggle against imperialism and colonialism.



## OPENING ADDRESS

THEJA GUNAWARDHANA

(Chairman, Asian Economic Bureau)

Your Excellency, *Dear friends,*

I bring you the greetings and warm welcome of  
the Asian Economic Bureau of Colombo.

The Asian Economic Bureau has convened this second Seminar to make a special study of the economic aspects of neo-colonialism, the principle of self-reliance in building an independent national economy and economic cooperation based on the Bandung principles of equality and mutual benefit.

We have selected the capital of the Democratic People's Republic of Korea as the venue, as this country is a vivid vindication of the impregnable strength of this principle of self-reliance in national economic construction. This our host country is a bastion of freedom which has not only smashed imperialism but consolidated national economic independence, to win which the blood of countless martyrs was shed—the blood of men, women and children which mingled with that of the sons and daughters of the People's Republic of China who fought side by side with the Korean compatriots against U. S. imperialism.

To this land which has defended with her blood the sacred cause of national liberation—to this strategic fortress of our freedom and strength in Asia we bring our greetings and pay homage to her martyrs who have not died in vain, for we see the spirit of the symbolic Chullima—the flying horse—reigning supreme, pervading all walks of life and great achievements of this heroic land. This legendary symbol so full of power dominates our venue.

Though we originally planned to have only a Second Asian Economic Seminar, the last Bureau meeting decided that we invite progressive forces of Africa, Latin America and Oceania who share common political and economic problems and also a common enemy. We hope our united deliberations will open ways and means of utilizing the vast limitless possibilities

of economic cooperation among ourselves, which will, in turn, help us in our struggle for national liberation and independence and which is a vital necessity in our struggle against all forms of imperialism, colonialism and pro-imperialism – all of which continually seek new ways to reverse the inevitable march of history towards progress, freedom and peace. We all face a basic task – the eradication of exploitation and suppressions of humanity and eradication of the roots of conflict and aggression. The Bandung principles translated into action ensure this eradication. It is the duty of this Seminar to wholeheartedly support the 2nd Bandung – the governmental Second Asian-African Conference and call upon all participant countries to see that implementation is given to the Bandung resolution: “The Asian-African Conference recognizes the urgency of promoting economic development in the Asian-African regions.” Nine years ago this problem was recognized as urgent and yet nothing was done to translate this to action. In the meantime, the imperialists who also recognized the urgency, created the European Common Market strengthening still more the penetration of monopoly capital particularly in Africa.

We consider the smallest nation as equally precious in the links of fraternity which our seminar hopes to forge in the years to come. We are comrades in the common struggle of eliminating discrimination, domination, exploitation and suppression.

The three concepts of political and economic independence and economic cooperation are inextricably linked, merge into each other and are a continuing process. We cannot separate them. Hence our struggle must be united to place an impregnable united front against our enemies.

Our seminar is also the **forerunner** for the proposed Afro-Asian Economic Seminar to be organised by the Afro-Asian People's Solidarity Association in Algiers. Our Bureau is closely associated with this movement and gives it the fullest support and cooperation.

A dangerous force of pro-imperialism tells the Afro-Asian peoples, now on the march to freedom, that economics and politics must be isolated, thereby trying to camouflage the fact

that imperialism and neo-colonialism follow the hoisting of the imperialist flag. We see through them clearly. Exploitation continues in varied forms-by naked aggression, through monopolies or by economic groupings like the Southeast Asian Common Market (Headquarters Bangkok), the Asian Productivity Organisation (Tokyo), North Borneo - Sarawak Free Trade Area, the Latin American Alliance for Progress (without Cuba and popularly nicknamed "The Castro Plan"), the Pacific Free Trade Area, the Federation of Malaysia and numerous UN Agencies. Military pacts as Japan-US Security Treaty seek both economic exploitation and the turning of Japan to be a subversion centre for the whole of Northeast Asia. Moreover, South Korea, South Vietnam and Japan serve as markets for US military industries. Japan faces a crisis in international payments. The heroic peoples of South Korea, South Vietnam and Japan are carrying on inspiring mass struggles and we salute them. The Geneva agreements are being grossly violated by US imperialism in Laos and Indo-China. Mass struggles are going on there too.

Our Palestinian friends here with us, deprived of their homeland will be able to say how US imperialism has turned this area to a source of potential conflict and centre of subversion.

Figures prove the "benevolence" of imperialist aid: "US News and World Report" admits that "aid" is a built in subsidy for U.S. economy." 1961-63 Latin America received \$ 603 million as loans. 1961-63 Latin America paid back \$ 350 million debts. 1961-63 Latin America paid \$ 142 million interest.

The real aid to Latin America was only \$ 111 million. The rest was aid to the U.S.A. Is it any wonder that dictators can be created overnight in the U.S. empires of banana and sugar plantations, cattle ranches, oil fields and copper mines?

In 1961-63, U.S. firms made \$ 1600 million profit from monopolies in Latin America, i.e. 14 times the "aid" it gave. In 1946 U.S. investments abroad were \$ 720 million. In 1960 US investments abroad were \$ 3270 million. The total profits were \$ 3873 million. US private investments 1951-61 were \$ 5510 million. Profits were \$ 9500 million. 20% of the gross savings of Latin America went to USA.



Since World War II the USA has taken out of Africa raw materials valued at \$ 7500 million. In 1963 alone it imported \$ 1600 million worth of raw, strategic and rare materials, while Africa still faces great under-development.

In Australia and New Zealand there is a growing crisis sharpening the struggle of the people against monopoly, against ANZUS and SEATO and against the governmental support for the cold war policies in the UN. The world's 20 biggest monopolies are operating in New Zealand today. Monopolies are the new instruments of imperialist expansion.

12 years ago Ceylon was the first Asian country to break through the US trade embargo and break up the ring of imperialist blackmarketing in rice and rubber. The Sino-Ceylon Rice-Rubber Trade Pact and long term trade and economic assistance agreements were a glorious vindication of the possibilities of trade with socialist countries based on Bandung principles of equality and mutual benefit. Socialist economic cooperation promotes economic growth and affords a real base for national development. This was one convincing example that we were not any more at the mercy of imperialists. This gives full implementation to the demands of historical necessity that economically backward countries must necessarily break away from the colonial pattern of trade and establish new trade patterns that ensure economic progress. When we trade with socialist countries, imperialists are forced to reduce monopolistic prices and ease conditions for financial transactions.

A new breed of *laissez-faire* socialists paint to us the glorious future that the UN can usher. This body in its present structure under the control of and within the framework of US imperialism, is the very same body under whose auspices, aggression was committed against the young Congolese Republic and under whose auspices the great son of Africa, Lumumba, was murdered and under whose auspices South Vietnam and South Korea have been partitioned artificially for brutal suppression and exploitation.

Right and correct thinking is of absolute importance both in the national liberation struggle and promotion of economic advancement and cooperation. All fraudulent economic camouflages only seek our political subservience to imperialism. They

are diametrically opposed to the mutual assistance and unconditional aid of friendly countries. Foreign imperialist aid is not economic cooperation. Imperialism by its very nature cannot aid—it can only be a vampire. It retards industrialisation and the changing of trade patterns.

Another form of neo-colonialism is the preaching that disarmament will usher in peace and economic progress. What would be the fate of the epical African Revolution if the freedom fighters accepted the advice of colluders with imperialism and renounced armed struggle. Neo-pacifists not only preach this fraudulent philosophy but practise other forms of merchandise as the buying up of traitors, flunkies and puppet leaders. We rejoice that inspite of all crimes and aggression over 30 countries out of 59 are independent today in Africa, i.e. over 87% of Africans are free and over 80% of African territory is controlled by African people. It will not be long before the whole of Africa's 250 millions will be free. This is the inevitable trend of history. Nothing can check it. The Middle East Arab revolutions have given convincing blows to imperialist oil empires.

But the next stage of the battle is to consolidate, develop and safeguard the fruits of our triumphs. We have at this seminar representatives of countries at varied stages of their history—colonies, "protectorates" newly-independent countries with semi-colonial economic and administrative structures, capitalist countries, developing socialist countries and advanced socialist countries. Let us follow this seminar carefully and initiate scientific thoughts of nation building and channel our deliberations to promote our common goal. There is a wide field of possible glorious achievement lying ahead of us — market research, sharing of technical knowledge and personnel, promoting very necessary means of transport and communication if we are not to be at the mercy of imperialist air and shipping lines, studying joint industrial ventures, coordinating research etc. As we do a deep study of these projects we will come to realise that we can achieve nothing worthwhile without changing the colonial structure of our economy without central planning, without ensuring a quick and higher rate of economic development self-generated in the main, without dedicated work and the fullest national use of our own rich resources whose commanding heights have been so far in other hands.

Last but not least for us Afro-Asian-Latin Americans and the Pacific Regions, the agrarian question acquires deep significance. Feudalism and semi-feudalism must be ended. The successful solution of the peasant and agrarian question holds the key to the expansion of domestic markets and the victory of our revolutions and national progress. Most of our ancient civilizations were built on cooperative patterns. This way of life has to be restored. Low productivity in rural areas arises out of ineffective techniques and ineffective encadrement.

Then and only then can we visualise the building of independent national economies. National independence can be jeopardized if there is no self-sufficiency in our basic primary products and manufactured articles of common consumption. But if we continue to export at low rates our primary raw products and import imperialist food and clothing and other commodities at high prices, it means we continue to fix at status-quo the existing relations between developing countries and imperialism. This is peaceful-coexistence with the status-quo and our national economy and trade patterns will remain stagnant and undiversified, and we continue to be units of a hidden imperialist empire very often manipulated by the hidden strings of monopoly capital.

And in the course of our forward march, if we hear the leadership of former friends, advising us about transition to socialism by peaceful co-existence with imperialism, dear friends, open wide your eyes and you will see that those who follow this advice are having not even the status quo but a very peaceful transition from socialism to capitalism, and marching onwards straight into the death embrace of imperialism. You will realize when we attempt to change the structures of our economy, politics and economies are interlocked. In view of the distressing development in recent times of struggling peoples having not only to fight imperialism but also see their one-time comrades-in-arms deserting the struggle and turn traitor to the sacred cause of national liberation, we must expect more inevitable hostilities in the economic arena. We must foresee unexpected dislocations of trade and even of aid which one-time friends offered in the spirit of Bandung. Now is the time to face this challenge realistically and boldly.

We are surely at the crossroads. Which way shall we take—backslide through lack of vigilance, and right thinking to the old bondage in new form, take the easy disastrous road of succumbing to exploitation by imperialism, take the weak road of yielding to blackmail by pro-imperialist leadership? Or shall we seek the road to forge our historical destiny through struggle, renewed struggle, hard work and absolute dedication? Only real economic independence can consolidate the gains of political independence. It is a continuous process. Let us defend our national economies. Let us join hands with the trade union movement which holds as sacred the national liberation movement.

Dear friends, imperialists for long years have kept us apart. We have come together again. Let us march forward together, we whose lands are endowed with rich natural resources and yet for centuries had lowest per capita incomes. Momentous victories of the peoples' disintegration of collective imperialism, slashing defeats of the imperialists and colonialists, the deepening contradiction of imperialists and the pro-imperialist debacles everywhere are taking place around us. Let this seminar deepen our desires to support all heroic struggles of freedom fighters. Let it be a milepost in the political and economic life of our peoples—an event of far-reaching results.

To our Korean hosts who have spared no efforts to give us such a warm welcome, organise all aspects of the seminar so well and extend hospitably, we say thank you from the bottom of our hearts.

Long live the Pyongyang Economic Seminar.



# ASIAN ECONOMIC SEMINAR

## GREETING SPEECH

by

KATJIMUINA VEII

(S. W. Africa)

*On Behalf of the African Participants at the Second Asian Economic Seminar*

Mr. Choi Yong Kun President of the Supreme People's Assembly of the Democratic People's Republic of Korea, Madame Chairman, brothers and sisters,

A few weeks ago we have been to Algeria to express our firm solidarity with the peoples of Asia, Latin America and Africa. Today, here we meet again in order to exchange views on the economic problems of our respective countries. This is another proof that the solidarity among the Afro-Asian and Latin American people is becoming a living reality day by day. The fact that the Economic Seminar is being held in the Democratic People's Republic of Korea is of great significance; firstly because Korea is the land where imperialism had completely demasked itself and showed its most ugly features; secondly because in this land of Korea we have a true example of heroism and unquestionable victory of the people over all of suppression and oppression. Here, the gangs of world reaction, well armed and numerous, have found their graves on the sacred soil of Korea. And thirdly it is of great significance because, since we arrived, we could see that it is possible for a determined people to accomplish the task of reconstruction and independent national economy. This shows that it is only possible to build a national, independent economy when U. S. imperialism and their lackeys are completely defeated.

The African people, like the people of Korea are also fighting against the same enemy, which is American imperialism under the flag of the United Nations and puppet regimes.

In the name of all African guests to this seminar, I take this opportunity to express our sincere thanks to the Bureau for its kind invitation and greet the Korean people for the wonderful welcome and hospitality they have extended us.

We wish the Korean people under the leadership of the Korean Worker's Party headed by Comrade Kim Il Sung many successes and victories in their national reconstruction and their efforts in all fields. For us, we Africans, the success of the Korean people constitutes a great stimulant in our cause of national liberation. The African people being deprived of the advantages of national independence find themselves in a state of insecurity and humiliation. Many of us are still fighting against the fascism of Verwoerd, Salazar and Welensky. The imperialists headed by U.S. imperialism, are imprisoning and assassinating the best sons of fighting Africa. The names of LUMUMBA, Moumie, Mandela and many other heroes will continue to shine with ever greater brilliance in the history of our continent. For us they personify, the staunch will for liberation, and firm resistance against corruption and the determination to bring about the necessary historical changes. Today, as the imperialists usually do, they are bringing to power their own puppets who are completely devoted to them. The national riches are being squeezed by European and American monopolies as in the spring of all colonialism. In some countries U. S. imperialists are controlling civil administration and the armed forces; U. S. imperialists are openly thrusting their nose in the constitutional and internal affairs of African nations. The real owners of the riches of African countries find themselves in worse and worse misery and want for the benefit of Wall Street and the Common Market. That is why the African people have decided to fight with arms against the felony, facism and all the manifestations of American imperialism and their agents. Tomorrow, after defeating imperialism, depending on our own struggle and with the concrete support from our true brothers, we shall, as the Korean people did, carry out the creative task of national construction on the basis of national independent economy and cooperate with all countries in the spirit of equality, mutual benefit and non-interference in the internal affairs of each other.

Long Live the Heroic Korean People.

Long Live Afro-Asian-Latin American Solidarity.

Down with Imperialism, Colonialism and

Neo-colonialism.

# ASIAN ECONOMIC SEMINAR

*Speech by Palestinian Delegate on behalf of Arab countries*

**SELEH HUSSEIN**

*Madame Chairman,*

*Dear friends,*

Some of you delegates are Africans, and others, Asians. But we Arab people are at once Asians and Africans, for one half of our nation live in Asia and the other half in Africa. We consider ourselves situated at a junction between the two continents. We hope all our victories will be conducive to the struggle of your people against imperialism.

When we say that, like your people, we have also suffered all forms of imperialist oppression, we are not exaggerating the fact at all. Until the recent past the whole of our country was studded with imperialist bases. But many of them have already been removed by the strong will of our people. Yet, some bases still remain on our territory, and it is our wish to liquidate them once and for all, and to make this our gift to your next Seminar.

Our Arab countries suffered the same tormenting imperialist oppression in all aspects of economy, politics, culture and the dignity of man as your fighting people did. But we have experienced such unique distress, in addition to the crimes imperialism usually commits, than any of your countries have ever suffered. This is the fabrication of so-called "Israel," a crime of imperialism.

The Anglo-U.S. imperialists, in co-operation with the Zionists and the reactionary imperialist forces throughout the world, expelled by force the 1.5 million Arab people in Palestine from their native country and placed this area in the hands of the foreign racists who came from all parts of the world. And they named our occupied land "Israel". The fabrication of "Israel" by the imperialists was aimed at cutting off connection between Asia and Africa and at turning Israel into a base of aggression against the people of the two continents fighting imperialism in all fields.

The present speaker is also one of many who have been driven out of their own country by the ferocious imperialists, and he is still barred from returning to his homeland.

If you, through all these facts, understand the bitter sufferings imposed upon us by the imperialists and our anti-imperialist struggle, I believe, friends, that you will realise what are the hearty congratulations we give this Seminar which is attended by true anti-imperialist fighters. I should like to stress that we will do our best to take an active part in this Seminar and convey to our Arab people the spirit of this Seminar and the experiences we gain here.

Allow me to take this opportunity of expressing my admiration of the great achievements made by the Democratic People's Republic of Korea in restoring the economy severely wrecked by the cruel imperialists and in building up the country's economy by carrying through the policy of self-reliance. I also share your deep confidence that the day is not far off when the Yankee imperialists will be driven out of South Korea forever and Korea will become completely unified and independent and the entire Korean people enjoy a happy life in their prosperous country.

In conclusion I extend greetings and profound gratitude to the Government of the D.P.R.K. and the great Korean people who have made arrangements for this Seminar, accorded us unforgettable hospitality. And we would like to express our deep thanks to the organization concerned and our friends who have done and are doing everything possible to provide us with active co-operation and every facility.





# MESSAGE OF GREETINGS

## FROM OCEANIA

(By Rev: Victor James, Australia)

*Madam Chairman, friends,*

Few people in those countries most deeply affected by the old imperialist-monopolies realise what a significant and historic occasion this really is.

It is especially significant because we are meeting here, in this city of Pyongyang which, like the phoenix, has risen from the ashes of vicious imperialist attempts to completely eliminate it.

We pay our sincere and warm tribute to the people of Pyongyang, of all Korea, and to their inspired leadership, for their truly miraculous efforts in building this fine city, and creating throughout the length and breadth of their country, a new and advanced industrial and agricultural economy.

It should be pointed out, with reference to the area we call Oceania, that of the 200,000 islands in the Pacific, there are neo-colonialist areas of some size, namely the Dominion of New Zealand, the Commonwealth of Australia and western Samoa. The rest of these islands are colonially-controlled and, throughout the whole vast area, the imperialist monopoly has complete control.

It is our earnest hope that the denied and exploited people of Oceania will be able to more clearly see the vital issues at stake for them, and be able, as the result of this Seminar, to link up with other Afro-Asian peoples to their mutual advantage.

It should be pointed out that the area we call Oceania is in truth, the extension of the islands of Indonesia and the Philippines into the South Pacific.

There is no other future for the people of Oceania but in the fullest co-operation with their next-door-neighbours in Asia.

We, who have come from Oceania, express here our deepest gratitude and appreciation to the people of Korea for their warm welcome and generous hospitality to us. We thank them and others responsible for the invitation extended to us to be present at this Seminar.

This experience will always remain in our hearts as a warm and fruitful memory of the all-too-few days spent with you and with the delegates from the various countries represented here.

Thank you !



# REPORT OF THE ASIAN ECONOMIC BUREAU COLOMBO

SUBMITTED

BY DR. R.W.C. THAMBIAH

*Secretary-General*

*Read by*

*Hiroshi Umehara Secretary For Japan in the Asian Economic Bureau*

In a changing world the need for study and co-operation is imperative. This was realised by the developed countries soon after world war II and continuous study and discussion among them has resulted in fundamental changes in European economic co-operation. Not only did the European Common Market emerge from these studies but the imperialist powers are endeavouring to preserve and extend their economic hold on the newly emerging countries by forming economic groups such as the South East Asian Association for a common market with head-quarters in Bangkok.

In view of this dangerous trend it has become an urgent task for the peoples of the developing countries to get together and study how they can co-operate to best utilise their resources for the benefit of the peoples of these countries and place their research before their governments.

With this in view the Afro-Asian Solidarity Association of Ceylon invited a number of Asian countries to hold a seminar on Asian Economic co-operation and the first Seminar was held in Colombo from October 25th to Nov. 1st 1962. The invitees were Burma, Brunei, (N. Kalimantan) Cambodia, Ceylon, People's Republic of China, India, Indonesia, Japan, Democratic People's Republic of Korea, Laos, Mongolia, Nepal, Pakistan, Democratic Republic of Vietnam, South Vietnam and USSR. Cuba was invited as an observer. Some of these countries participated in the preparatory committee.

At the opening sessions of the Seminar, messages of greetings were received from the Prime Minister Hon. Sirimavo Bandaranaike, the Minister of Industries of Ceylon, the Indonesian Ambassador

in Ceylon and Dr. Raul Roa, the Minister of Foreign Affairs of Cuba. The Prime Minister in her greetings said, "I have noted that this Seminar will study means of promoting close co-ordination and regional co-operation among Afro-Asian countries with a view to strengthening the economy of the areas as a whole. This is certainly a commendable objective which will complete what was achieved at the great Bandung Conference of 1955 which gave birth to Afro-Asian Solidarity." The Minister of Commerce of the Ceylon Government who was present, said: "It is customary to refer to some countries as "underdeveloped". They belong to both hemispheres. "Underdeveloped", according to my view, is a very kindly term. The "exploited" is more appropriate to many countries, which are now called under-developed. Most of such countries have been suffering for long periods from colonialism of one form or another, and have been exploited for the benefit of the colonial countries of the West. They were made appendages of the industrial countries of the West and forced to become an outlet for industrial goods of the imperialist countries. The result was that the economic development of these countries was retarded with adverse effects on the living standards of the people. The peoples of these countries have now realised the cause and effect of the disease and also discovered the remedy for recovery. They are now in various stage of preventive and curative struggles for economic emancipation, some alone and some with the assistance of others. With regard to assistance which the under-developed countries receive, we have also to look into the mouths of certain gift horses, for some of them not only possess dentures but also fatal fangs. In this process people in these under-developed countries have come to realise that some measure of satisfaction is possible only on the basis of peaceful co-existence and economic independence. But the term "peaceful co-existence" would have no meaning if it is regarded as a mere slogan. It will be fruitful only if it is founded on the sound and fundamental principle of elimination of exploitation of man by man and a group by another. So long as these countries are not economically independent peaceful co-existence would mean very little."

The following papers were presented:

The Fundamental Problems of Economic Development in Asia by Chi Chao-ting (China)

Forms of Economic Co-operation and their Relevance to the Conditions in Asia by M. P. Perera (Ceylon)

Changing Trade Patterns of Asian countries by Shujiro Tanaka (Japan)

Some Factors in the Development of the National Economy of New Asian Countries by Tiagounenko Viktor (USSR)

The Possibilities of Economic Co-operation in Asia by S. Kanesadasan (Ceylon)

Economic Co-operation Between Nations (Afro-Asian Solidarity Committee (Nepal)

The European Common Market and its Impact on Asian Countries by Vladimir Kollontai (USSR)

European Common Market and its Impact on Asian Economics by P. B Karandawela (Ceylon)

The Impact of the European Common Market on the Asian Economies by Suprijo (Indonesia)

A General Working paper from the Permanent Secretariat of Cairo covered: —

1. Basic Problems Facing Us.
2. The European Common Market and Other Economic Groupings.
3. For Prosperity.

All the documents, addresses, messages, working papers, declaration and resolution of the Colombo Seminar were printed in book form and have found a ready sale all over the world.

As a follow up of the Seminar an Economic Seminar Committee was elected. USSR and India did not confirm their conditional election and did not reply to our reminders.

The committee of the 8 founder Asian countries viz., Ceylon, China, Indonesia, Japan, Pakistan, Democratic People's Republic of Korea, Democratic Republic of Vietnam and South Vietnam felt strongly that the best way to preserve and develop the ideas discussed during the Seminar was to have a permanent Bureau for purpose of co-ordination and research.

The Bureau, was started in Feb. 1963 and during the period under review, work in the Bureau has been slowly organised and is now in progress. Facilities for study and research are now available. There is a library and the latest journals on economic affairs are made available at the Bureau.

The first bulletin on Asian Economic Affairs and related subjects has already been published. It is planned to produce this Bulletin quarterly at the start. The Bureau will be happy to receive contributions to the Bulletin, which should mirror the latest thinking, statistics and research on Economic Affairs of Asia, Africa and Latin America. It has not proved an easy task to get articles and members are requested to be more co-operative.

The Bureau also provides accomodation for international experts participating in the work of the Bureau. We have had participants from Ceylon, China, Democratic People's Republic of Korea, Japan, Pakistan, Democratic Republic of Vietnam and South Vietnam during the period under review.

We have received contributions from the People's Republics of North Vietnam, of China and Korea, Japan, and South Vietnam to the central fund of the Bureau.



# MESSAGE OF GREETING

FROM

CHOU EN-LAI

*Premier of the State Council of the People's Republic of China*

On the occasion of the opening of the Second Asian Economic Seminar in Pyongyang, I wish to extend to you, on behalf of the Government of the People's Republic of China and the Chinese people as well as in my own name, my warmest greetings.

Under the correct and wise leadership of the Workers' Party of Korea headed by Premier Kim Il Sung, the great Korean people have scored brilliant success in their socialist construction. The Korean people's revolutionary spirit of persisting in the development of an independent national economy by relying on their own efforts and their heroic spirit embodied in the Chullima-flying horse - movement, are good examples for us.

Through our own experience, we fully realize that only by achieving a truly consolidated economic independence can a consolidated and full political independence be achieved. The most dependable way to do away with the poor and backward physiognomy caused by long years of imperialist and colonialist rule is to develop an independent national economy by relying on one's own efforts, while the strengthening of mutual benefit is also necessary. Such mutual assistance and cooperation amongst us constitute a new type of economic relations of each making up what the other lacks, helping and learning from each other, and promoting common prosperity. Such mutual assistance and cooperation, as time goes on, will undoubtedly show more and more of its great vitality.

I extend my greetings to the delegates of Asian countries participating in this Seminar. I extend my greetings to the friends from Africa, who are attending the Seminar by invitation. And I extend my greetings to the friends from Australia, New Zealand and other regions, who are also attending the Seminar by invitation.

I hope that your Seminar will contribute to the preparatory work for the Afro-Asian Economic Seminar which will take place in Algeria and that it will advance positive proposals concerning economic cooperation to the Second Asian-African Conference to be held in March, 1965.

I wish your Seminar full success.

June 14, 1964

# GREETINGS

*from*

**HON. T. B. ILLANGARATNA**

*Minister of Internal and External Trade (Ceylon)*

I have great pleasure in sending this message of greetings to the Second Asian Economic Seminar which is commencing on the 15th of June 1964 at Pyongyang, the Democratic People's Republic of Korea. I also had the pleasure of addressing the opening session of the first Seminar of this kind held in Colombo in October 1962. I understand that the present Seminar is being sponsored by the Asian Economic Bureau which is a result of the deliberations of the Colombo Seminar.

I am also very happy to note that this Second Seminar is being held in the Democratic People's Republic of Korea which is forging ahead in the task of economic development. At the time the first Economic Seminar was being held in Ceylon there was little awareness of the need for economic co-operation among the Asian countries. The situation has changed considerably since then. The need for economic co-operation among countries with common objectives and common problems is widely accepted today. Discussions today centre mainly around methods and possible areas of economic co-operation.

I am confident that the present Seminar which is being sponsored by the Colombo Asian Economic Bureau will open up practical possibilities for the extension of economic co-operation for the mutual benefit of the countries of the area.

I wish the Seminar all success.



# MESSAGE OF GREETINGS

FROM

**ZULFICAR ALI BHUTTO**

*(Foreign Minister of Pakistan)*

I am happy to extend cordial greetings to the participants in the Economic Seminar convened in Pyongyang by the Asian Economic Bureau. Pakistan believes that self-reliant independent national economies co-operating freely on the basis of Bandung principles of equality and reciprocal benefit would be essential for strengthening Afro-Asian solidarity. I wish the Seminar godspeed in its deliberations directed to achieve this goal.

# MESSAGE

FROM

**ZUAN THUY**

*(Minister of Foreign Affairs, Democratic Republic of Vietnam)*

On the occasion of the Asian Economic Seminar held in Pyongyang, capital of the Democratic People's Republic of Korea, allow me to address to the Seminar the warmest greetings and wish that the Seminar achieve great successes, contributing to the struggle against imperialism and neo-colonialism on the economic front, further promoting the spirit of relying on one's own forces for building an independent economy in all countries, consolidating the spirit of mutual understanding, co-operation and assistance between the Afro-Asian countries, on the basis of the Bandung spirit.

## MESSAGE

FROM

### Peace Liaison Committee of the Asian and Pacific Regions

The Peace Liaison Committee of the Asian and Pacific Regions extend warm congratulations for the successful opening of the Second Asian Economic Seminar in Pyongyang, the capital of the Democratic People's Republic of Korea.

The poor and backward economic physiognomy of the Asian countries is the outcome of the long-lasting rule and exploitation by imperialism and colonialism. In order to attain real independence and economic emancipation and build up a free and prosperous new Asia, peoples of the Asian countries must intensify their opposition against aggression and intervention and all forms of economic exploitation, plunder, infiltration and control by imperialism headed by the U. S. and rely on their own wisdom and labour to develop their independent national economy and carry out on an extensive scale mutual assistance and cooperation among them.

We are convinced that the Second Asian Economic Seminar will make beneficial contributions to promoting mutual understanding, friendship and solidarity among the peoples of Asian countries, to promoting the development and a common upsurge of the national economy of the Asian countries as well as to the great cause of the peoples in the Asian and Pacific Regions and the world in opposing imperialism and defending world peace.

We wish the Second Economic Seminar success.

## GREETINGS

FROM

### Chinese Committee for Afro-Asian Solidarity

On the occasion of the successful opening of the Second Asian Economic Seminar in Pyongyang, the Chinese Committee for Afro-Asian Solidarity extends warm congratulations to the Seminar and sends heartfelt greetings to friends from various countries participating in the Seminar.

Held in the capital of the heroic Democratic People's Republic of Korea, the current Seminar is of great significance. The Korean people have not only made great contributions in the struggle to oppose U. S. imperialist aggression and to safeguard peace in the Far East and the world, but have also made outstanding achievements in building their motherland by relying on their own efforts, thus setting a brilliant example for the peoples of Asia, Africa and Latin America.

Victimized by the ruthless plunder and exploitation by imperialism and colonialism, we Asian countries for long years have remained poor and backward. With the vigorous progress of the national liberation movement, many newly emerging countries in Asia which are marching on the road of independent development, striving with full confidence for turning the Asia economy which is poor and backward into an advanced and prosperous continent. In the long run, history will prove that the awakened people who dare to become masters of their own land will be able not only to handle their own destiny and build a beautiful future, but also to make their own contributions to the great cause of advancing the progress of human history.

At present, in carrying on intervention and subversion and expanding the war of aggression, the imperialists, the U. S. imperialists in particular, are also intensifying economic plunder, infiltration and control through various means. We Asian peoples, therefore, must resolutely wage struggles to oppose imperialism and old and new colonialism and to win and safeguard national independence. Then and only then can we develop national economy independently.

May the Second Asian Economic Seminar make new and positive contributions to further strengthening the struggles of the Asian peoples to oppose U. S. imperialism and old and new colonialism and to defend peace in Asia and the world, to promoting the development of their economic cooperation on the basis of the Bandung spirit and to enhancing the mutual support and common development of the Asian, African and Latin

American peoples. We believe that this Asian Economic Seminar will make beneficial contributions to the successful convening of the Afro-Asian Economic Seminar in Algeria.

May the the Second Asian Economic Seminar be a complete success.

June 14, 1964.

## MESSAGE OF GREETINGS

FROM

Chinese People's Committee For World Peace

The Chinese People's Committee for World Peace warmly congratulates the successful opening of the Second Asian Economic Seminar. The convening of the Seminar in Pyongyang, the capital of the heroic Democratic People's Republic of Korea is of exceptionally great significance. It indicates that the national liberation movement in Asia has undergone new development. We are convinced that through extensive exchanges of views, this Seminar will surely achieve a complete success and make new and beneficial contributions to the common struggles of the Asian people in opposing their common enemy, U. S. imperialism and safeguarding peace in the Far East and the world, and to the great cause of building up a new Asia, independent, free, prosperous and strong. We also believe that this Asian Economic Seminar will make positive contributions to strengthening friendship, solidarity and mutual support among the Asian, African, Latin American peoples and the peoples of the whole world in the cause of opposing imperialism and new and old colonialism.

June 14, 1964.

## **GREETINGS**

**FROM**

**China Peace Committee**

The China peace Committee sends fervent greetings to the successful convocation of the Second Asian Economic Seminar.

It is of particular importance that the meeting is held in Pyongyang, the capital of heroic country D. P. R. K., it signifies a new development in the national-liberation movement in Asia.

We are convinced that the present Asian Economic Seminar will achieve satisfactory results through broad exchange of views and make a new valuable contribution to strengthening the common struggle for the defence of peace in the Far East and the world, opposing U. S. imperialism, the common enemy of the Asian people, and for promoting the great cause of independence, freedom, prosperity and of building a rich and powerful new Asia.

We firmly believe the present Asian Economic Seminar will also make a positive contribution to the cause of the peoples of Asia, Africa, Latin America and the whole world for opposing imperialism and old and new colonialism and promoting friendship, unity and mutual support.

## **GREETINGS**

**FROM**

**China Council For the Promotion of International Trade**

We are delighted to learn about the successful opening of the Second Asian Economic Seminar in Pyongyang, and extend to you our warm congratulations.

The fact that the current Seminar is being held in Pyongyang is of great significance. The Korean people, under the wise leadership of Premier Kim Il Sung, defeated the armed aggression

by U. S. imperialism and have persisted in developing an independent national economy by relying on their own efforts. Such revolutionary spirit is what we should learn. We have always viewed with admiration every achievement the Korean people have made in their socialist construction and regard it as a great support and inspiration to ourselves.

We are faced with a most favourable situation. Together with the African and Latin American peoples, the Asian peoples are waging heroic struggles to oppose the political and military intervention, subversion and aggression by old and new colonialism headed by U. S. imperialism and to oppose their economic infiltration, plunder and exploitation by various cunning ways. We fully understand that in order to safeguard the hard-won political independence, it is necessary to develop an independent national economy, because a complete economic independence will consolidate a complete political independence.

We have in Asia vast fertile land, favourable climate, abundant resources and an industrious and intelligent people. So long as we make full use of all favourable conditions for development, strengthen our solidarity, persist in the policy of relying mainly on our own efforts while seeking foreign aid as a supplement, and develop extensively economic cooperation and support on the basis of the Five Principles of Peaceful Co-existence, the national economies of the Asian countries will certainly develop and prosper rapidly. The relations of cooperation among us is a new type of relations of genuine mutual support based on complete equality and mutual benefit. Such relations of friendly cooperation is bound to lead to common upsurge of the economies of the Asian countries, as well as those of the African and Latin American countries. There is a broad and bright prospect for our cooperation. The Chinese people have always regarded it as their international obligation to strengthen such mutual assistance and cooperation. And in providing foreign aid, the Chinese people follow the Eight Principles of Foreign Aid put forward by Premier Chou En-lai during his visit to Africa.

We believe, the current Seminar will certainly make positive contribution to building and developing the independent national economies of the various countries and to promoting their sincere cooperation.

We wish the Seminar success !

June 14, 1964.

## MESSAGE

FROM

Congolese Association for Friendship among Peoples  
[C. A. F. P.]

Brazzaville, June 4, 1964

Motto: Let us go hand in hand

The Afro-Asian Solidarity Committee has done much for bringing the Asian and African peoples closer and for a better understanding among them.

The Economic Seminar will undoubtedly enable us to have information on the economic situations of various countries.

Discussion throws light, they say.

May light be emitted from the Seminar bringing forth the fall of neo-colonialism and the economic liberation of our formerly subjugated countries.

On behalf of the Congolese Association for Friendship among Peoples and for myself, I wish the Afro-Asian Economic Seminar great success.

L. LOBAN-SEBETTE  
President, C. A. F. P.

## **MESSAGE**

**FROM**

**African Independence Party of Guinea and Cape Verde Islands**

On behalf of the people of (Portuguese) Guinea and the Cape Verde Islands the fighters of our Party have the honour of expressing our warm wishes for success of the Seminar for rapid economic development of ex-colonial people, for construction, peace, progress, for the consolidation of friendship, solidarity, co-operation among the Asian and African peoples. Regretting that our Party delegation is unable to participate due to pressing circumstances, we reaffirm our friendly sentiments.

With very high friendly regards,  
Secretary-General

## **GREETINGS**

**FROM**

**The Japan Afro-Asian Solidarity Committee**

Japan Afro-Asian Solidarity Committee sends warmest greetings to Asian Economic Seminar which is fighting against imperialism, colonialism, neo-colonialism and for complete national liberation, self-reliant national economy.

## **GREETINGS**

**FROM**

**The Japanese Economic Committee for Afro-Asian Solidarity**

Tokyo, June 17, 1964

To: Asian Economic Seminar  
Pyongyang

Greeting Second Asian Economic Seminar, we firmly unite Afro-Asian peoples struggling against imperialism, neo-colonialism for economic emancipation and complete national liberation,



for building independent national economy based on principle of co-beneficial trade and economic co-operation. We ardently wish Asian Economic Seminar Success.

## GREETINGS

FROM

**Japan Committee for Promoting International Trade**

To: Asian Economic Seminar  
Pyongyang

We express best wishes to Second Asian Economic Seminar and sincerely hope success in realising Afro-Asian people's solidarity in struggle against imperialism, neo-colonialism for economic emancipation and complete national liberation, for development of co-beneficial trade and co-operation.

## GREETINGS

FROM

**The Japan-China Trade Association**

Tokyo, June 18, 1964

To: Asian Economic Seminar  
Pyongyang

We believe that the Asian Economic Seminar will do much towards enabling the people of the Asian countries to oppose imperialism and neo-colonialism, to give full support to the 8 principles of Premier Chou, promote economic construction based on self-reliance, and towards the mutual co-operation and mutual development on the principle of mutual benefit and equality, and wish the Seminar great success.

## **GREETINGS**

**FROM**

**The Japan-Korea Trade Association**

**To: Asian Economic Seminar  
Pyongyang**

Congratulate the convocation of the Asian Economic Seminar and wish the Seminar success in its work for the national independence and construction of an independent national economy of the Afro-Asian countries. Extend to you participants in the Seminar and, through you, to the peoples of Afro-Asian countries greetings of friendship and solidarity.

## **GREETINGS**

**FROM**

**The Japan-Vietnam Trade Association**

**Tokyo,**

**To: Asian Economic Seminar  
Pyongyang**

Wish excellent success in its work for a big advance of Asian and African countries towards independence and independent development.

## **GREETINGS**

**FROM**

**Japan-Korea Afro-Asian Institute**

**Tokyo,**

**To: Asian Economic Seminar  
Pyongyang**

Pay our tribute to the Second Asian Economic Seminar and wish it success.

**CONGRATULATORY MESSAGE**  
**OF**  
**THE KOREAN YOUNG PIONEERS**  
**TO**  
**THE ASIAN ECONOMIC SEMINAR**

Honoured delegates who have come a long way, covering hundreds of thousands of miles across mountains and oceans!

In the name of the Korean Young Pioneers, we extend warm congratulations and greetings to this significant Asian Economic Seminar which opened today in Pyongyang, the capital of our country.

The news that delegates from many countries of Asia and Africa would hold the economic seminar in our country has given us Korean Young Pioneers great joy and excitement. It is because our country has become the venue of a significant meeting where Afro-Asian peoples, who have won victory in their protracted struggles against the vicious imperialist aggressors and are keeping up a courageous fight, sit together to discuss how to build up their economics with their own strength so as not to repeat the bitter, resentful life under the whips of the colonialists.

What an auspicious and proud meeting this is!

We know well that the Afro-Asian peoples are resourceful peoples who have long histories and brilliant cultural traditions, are brave peoples with glorious histories of struggles for repulsing the aggressors.

From time immemorial many Afro-Asian countries watered fields, cultivated rice, built astronomical observatories and rain-fall measuring apparatuses, to study astronomy, and created their own letters, attaining a high level of culture and sciences.

We Korean Young Pioneers, together with the children of many Afro-Asian countries, loudly acclaim before the whole world the brilliant culture of Asia and Africa that has effloresced for thousands upon thousands of years, the history of struggles of the sagacious and brave peoples,

However, from the time when the U. S. imperialist and other imperialist aggressors began to worm their way into the continents of Asia, Africa and Latin America, all the resources and treasures, science and culture of these areas, were seized by aggressors, and from that time on, the peoples there groaned under the truculent whips and bayonets of the colonialists.

From the first day of their inroad into Asia and Africa, the colonialists hunted people with guns and bayonets, swooped down upon the natives like animals and sold them as slaves in foreign markets.

How many scores of millions of innocent people were deprived of their dear native lands and died shedding blood by the bayonet of the villains and how many scores of millions of people were carried away aboard the pirate ships and sold as lifetime slaves by the aggressors!

History will keep forever the records of blood shed by the peoples of Asia, Africa and Latin America and will condemn the unpardonable crimes of the aggressors in the name of the fathers and mothers who died full of rancour under the yoke of the aggressors, and in the name of scores of millions of the children who died of hunger as soon as they came into this world.

History recounts with pride how valorously the peoples of Asia, Africa and Latin America fought against the vicious colonialists, raising high the torch of freedom and liberation.

For the rights and freedom of human beings and for the liberation and independence of the country sons fought in the footsteps of their fathers and, when the sons fell, the grandsons took their place.

Thus, on the vast continents of Asia, Africa and Latin America today, scores of countries which had lost lustre for centuries proclaimed independence; and the flames of liberation struggles are flaring up fiercely in all parts of these areas.

The flags of the newborn countries hoisted in all parts of Asia, Africa and Latin America will wave for ever in the blue sky, and the bright sun will shine over the peoples who hold high the banner of national liberation struggle.

Taking this opportunity, we Korean Young Pioneers, together with our fathers and mothers, extend our heartfelt greetings to all the countries in Asia and Africa which have won independence breaking off the chains of imperialism.

At the same time, we wish final victory to the patriotic peoples of various countries in Asia, Africa and Latin America who are courageously fighting against the imperialists and the enemy of the people who betrayed the nation.

Esteemed delegates, we children in the northern half of the country are growing up happily in the socialist motherland which our fathers and mothers defended with their blood and are bringing into bloom with their labour.

However, our grandfathers and grandmothers, our fathers and mothers, as in your countries, have a tearful history behind, have led a life full of sufferings, traversing a thorny path.

For nearly half a century the Japanese imperialists deprived us of our land and homes; in the end, they even tried to deny us our own mother tongue and names.

But our sagacious fathers and mothers were not discouraged.

Following the torch of the Fatherland Restoration Association raised by the peerless patriot Marshal Kim Il Sung, our revolutionary fighters fought bloody battles for 15 long years in the thick forests of Mt. Baikdoo, on the Manchurian plains. underground and in prisons until they won a final victory.

It is from this very root that Chullima Korea of today has emerged and a bright, new life has come into blossom.

Respected delegates, you can hardly imagine what Korea was like ten years ago. The three-year war started by U. S. imperialism plunged this land into a sea of flames, taking a heavy toll of our parents, brothers and sisters as well as innumerable lovely children of this land.

Indeed, in our country not a single brick and a piece of iron were left intact; only cinders and bomb craters were to be seen everywhere.

Pointing to our country so devastated, the enemy prattled that Korea would not be able to stand on its own feet again in hundred years' time.

But our fathers and mothers, our elder brothers and sisters laid, upholding the blueprint for a bright future unrolled by Marshal Kim Il Sung, the foundation for a new life by mobilizing all resources and underground wealth in the country, economizing what we had and turning out what we lacked. Our fathers and mothers took ten steps when others took one, and not content with running, they dashed forward in the saddle of Chullima with the speed of a whirlwind.

Thus, today we have been able to build such a powerful industry with which we can develop the country's economy and build up a blissful life relying on our own efforts, our own technique and our wisdom.

In our countryside where farm work was done with manual labour using hoes and other primitive tools in the past, now tractors and lorries we made are working. Irrigation water is overflowing in paddy and non-paddy fields like the mothers' milk nourishing babies, bringing a bumper crop to our co-op fields year after year.

In the comfortable and warm bosom of so prospering a motherland we children all study at school to our hearts' content, free of tuition, under the compulsory education system introduced long ago and cherish a big hope for a bright morrow enjoying ourselves in the grand Pupils and Children's Palace in Pyongyang and at Young Pioneers Camps set up in many scenic spots and picturesque places on the seashore.

We live with such a great joy and pride, but we never forget how the happiness we enjoy has been brought about and are clearly aware that as long as the imperialists remain in the world, we cannot live in peace even a moment.

The southern part of our country where the U. S. imperialists are entrenched has been converted into a hell on earth where only poverty and hunger, rightlessness and death prevail.

At this very moment, in South Korea 6,000,000 fathers and mothers who have neither job nor any other means of living and over 1,000,000 children kept away from schools, are knocking about from place to place in search of food, and are dying of hunger on the streets while wandering.

We are the future of our country and its future masters. Firmly joining hands with the children of the fighting countries in Asia, Africa and Latin America, and following in the footsteps of our fathers and mothers, we will raise the flames of liberation, struggle more powerfully until imperialism is liquidated for good on this globe.

Could it be that such a wretched plight that is too miserable to see without tears can be witnessed in the southern part of our country alone?

How many people in this world are as yet groaning under the oppression of the colonialists, and how many nations subjected to all manner of maltreatment and humiliation simply because of the colour of their skin!

How can we allow the U.S. imperialists, the enemy who causes such calamities and sufferings, to continue doing so any longer?

That is why the people including youth and students in South Korea have again kindled the flames of the resistance struggle, for national salvation and are fighting courageously, Young children, too, are fighting in the ranks of our elder brothers and sisters.

And this is why, in all countries where the U.S.-led imperialists are ensconced, the flames of resistance for shattering them are flaring up fiercely. The torch of struggle is blazing ever more furiously as days go by in South Vietnam, Laos, the Congo, Angola, Mozambique, Venezuela and in all other parts of the world

The banner of struggle, banner of freedom, held fast by the entire peoples in the Asian, African and Latin American Continents, is being carried forward vigorously.

The fighting peoples in the Asian, African and Latin American countries will surely win victory in their glorious struggle.

Respected Delegates,

United firmly in the ranks of the Korean Young Pioneers, we, 1,600,000 young Pioneers, will grow up into true sons and daughters of Marshal Kim Il Sung, into resourceful, brave and reliable fighters for the bright future in which all live in harmony and happiness.

We are firmly convinced that the children of your countries will also be healthily growing up into fighters for freedom, independence and prosperity of your countries and against the imperialist aggressors.

Respected Delegates,

We wish you excellent success in the Asian Economic Seminar, which is opening for the second time, and hope your countries will prosper forever with a solid independent economy.

In conclusion, we hope you will convey to the children of your countries the greetings of the Korean Young Pioneers for their happiness and glory upon your returning home.

Long live the friendship and solidarity among the peoples of Asia, Africa and Latin America!

## REPLY TO YOUNG PIONEERS

BY

THEJA GUNAWARDHANA

Your lovely warm welcome has made the opening of this historic Seminar beautiful and more symbolic. You are like the flowers you gave, us the beautiful fruits of the seeds planted by your martyrs. Never, never forget what you owe to them. Keep their memory green and love your great dedicated leaders. To us you are symbolic of the wonderful life all children can have.

**Thank you!**

June 16, 1964.





**Premier Kim Il Sung delivering speech at the banquet given by the Cabinet of the Democratic People's Republic of Korea in honour of the Participants of the Asian Economic Seminar on June 23.**

## DELEGATES TO THE ASIAN ECONOMIC SEMINAR AND ALL PARTICIPANTS

Dear Friends,

Taking this opportunity, I, on behalf of the Government of Democratic People's Republic of Korea and the Korean people, heartily welcome all of you who came to our country from various countries of Asia, Africa and Oceania. I am very much gratified by, and warmly congratulate you on the great success attained by the recent Asian Economic Seminar thanks to the joint efforts made by all the participants.

The recent Asian Economic Seminar was an important international conference contributing to the anti-imperialist, national-liberation struggle - common cause of the Asian, African and Latin American peoples.

At the meetings attended by delegates and guests of thirty four countries, opinions and experiences were exchanged on a series of questions concerning the development of economies of Asian and African countries and an important Declaration and resolutions were adopted with unanimous approval. Such exchange of views and experiences by the delegates of many countries around one table is greatly conducive to promoting mutual understanding and strengthening unity, and offers an occasion to inspire and encourage each other and learn a great deal from each other.

The Asian Economic Seminar conclusively demonstrated that in order to consolidate political independence and abolish backwardness and poverty, the liberated nations should as a necessity build an independent national economy on the principle of self-reliance, while persisting in their struggle against imperialism and colonialism, old and new. We fully approve of this.

The line of self-reliance and building an independent national economy is a correct one, which reflects the lofty aspiration of the people toward liquidating all forms of oppression and subordination and achieving complete national liberation,

independence and prosperity. This line is being translated into reality in a number of countries, and will triumph in the long run in all Asian, African and Latin American countries.

The recent conference has also clearly shown that the unity and co-operation between the peoples of Asian, African and Latin American countries constitute an important guarantee for shattering imperialist aggression, consolidating political independence of the countries in these regions and accelerating their economic and cultural development, and contributed greatly to the strengthening of unity and co-operation. This is one of the outstanding concepts registered at the conference.

The unity and co-operation between the peoples of Asian, African and Latin American countries are the unity and co-operation between the peoples oppressed by imperialism and colonialism, the unity and co-operation forged in the sacred struggle against U. S.-led imperialist aggression and for national independence and prosperity. We fully understand each other's situation, sympathize with each other and closely co-operate with each other on the principles of genuine equality and mutual benefit. Our unity and co-operation go a long way towards strengthening unity of the progressive mankind of the world and to their common cause.

All the oppressed nations should unite firmly under the banner of anti-imperialist, anti-colonialist struggle, and should encourage and support each other. Political, economic and cultural relations and mutual assistance should be steadily expanded and developed among the liberated nations.

If we all make joint efforts, such unity and co-operation will further strengthen with each passing day and display ever greater might.

We are convinced together with you that the ideas clarified at the recent meeting will evoke sympathy and support of the broad peoples of Asia Africa, Latin America and the rest of the world, and inspire and encourage them in their struggle.

Dear foreign friends,

You are delegates to the Asian Economic Seminar and at the same time honoured guests of our people.

It is a great pleasure and inspiration to our people that the recent Economic Seminar has been convened in Pyongyang, the capital of our country, and delegates of many countries have to visit our country on this occasion. Especially you have highly appraised the achievements realised by our people in the building of a new life and expressed active support in their struggle. Such support and encouragement are very precious for us, and for this we express deep gratitude to you.

Our people receive you as their close friends. During your stay in our country you will be accorded a warm welcome by our people wherever you may go. This is an expression of the friendship and solidarity our people cherish towards the people who are fighting for national independence, against imperialism,

The Government of the Democratic People's Republic of Korea and the Korean people always extend active encouragement and support to the Asian, African and Latin American people in their anti-imperialist, national-liberation struggle and have been making consistent efforts to strengthen militant solidarity with them.

Today, the friendship and unity between the people of our country and the peoples of Afro-Asian and Latin American countries are being further strengthened, and the economic and cultural co-operation between our country and the countries of these regions are being further developed.

We are very pleased with this and will endeavour to continue to further strengthen and develop these relations of unity and co-operation.

Imperialism and colonialism will go to a final complete disintegration under the impact of the struggle of the united people, and all the countries in Asia, Africa and Latin America will eventually see the day when they achieve independence and prosperity.

I pay respect to you who are devoting yourselves to the great struggle of the peoples, and wish you from the bottom of my heart greater successes in your sublime tasks.

Allow me to propose a toast to the unity of the Afro-Asian Latin American peoples, to the unity of progressive peoples of the whole world, to the victory of the peoples of the colonial and dependent countries in their anti-imperialist, national-liberation struggle, to the complete political and economic independence and prosperity of the newly-independent nations, to world peace, to the good health of our honourable guests, the delegates from many countries of Asia, Africa and Oceania and to the good health of all our friends gathered here!

# BASIC REPORT (1) ON SELF RELIANCE & THE CONSTRUCTION OF AN INDEPENDENT NATIONAL ECONOMY

By

**Nam Choon Hwa**

*Head of the Korean Delegation  
(June 17, 1964)*

Esteemed delegates,  
Dear friends,

One and a half years have passed since the first Asian Economic Seminar was held. The developments during this period show that all the decisions made after discussions at the Colombo conference have been entirely correct.

In these two years Mrs. Theja Gunawardhana and other members of the Bureau have creditably carried out their work, as a result of which considerable successes have been attained in the activities of this organization.

Availing myself of this opportunity, I extend my heartfelt thanks to Mrs. Theja Gunawardhana and the Bureau members.

I also give my cordial welcome to you delegates who have come a long way to our country for the present Seminar.

It is of great significance for delegates from various countries to sit together at this Seminar and exchange their valuable experiences and opinions on the construction of an independent economy and discuss the lines of our common struggle.

The discussions of this kind will be helpful to further intensifying the common struggle against imperialism by the peoples of the socialist states and the newly-independent nations in the Asian-African regions and to solving urgent problems arising in their construction of independent national economies.

At the same time, they will further encourage the struggle of the peoples of the colonial and dependent countries fighting for national independence by strengthening their conviction of victory.

## (I)

The Construction of an Independent  
National Economy Is an Important  
Revolutionary Task of Accomplishing  
the National-Liberation Revolution

Today, Asia, Africa and Latin America have taken on a fundamentally new appearance and the life of the peoples in these regions has undergone a great revolutionary change.

Since World War II, over 50 countries accounting for more than half of the world population have won independence as a result of the protracted heroic struggle of the peoples for freedom and liberation, and the anti-imperialist national-liberation struggle is flaring up more powerfully as days go by.

The peoples of China, the Vietnam Democratic Republic and Korea have achieved tremendous results in socialist construction after they were freed from the imperialist yoke, and the Cuban people have firmly embarked upon the path of socialism. The peoples of the newborn independent countries freed from the fetters of imperialism and colonialism are scoring great successes in building a new life with their revolutionary ardour

It is a great historic event that the socialist countries and national states have come into existence and are developing in Asia, Africa and Latin America which were only subjected to invasion and plunder by the imperialists in the past.

Asia, Africa and Latin America of today are no longer the Asia, Africa and Latin America of yesterday. The days are gone forever when the imperialists could suppress and plunder the people at will, lordíng it over those regions.

The national-liberation struggle in colonies constitutes a great revolutionary force of our times; it is dealing a telling blow to the policies of aggression and war of the imperialists, accelerating the final ruin of world imperialism, and making a great contribution to the common cause of world peoples for peace and social progress.

However, colonialism has not yet been completely liquidated. The imperialists are still resorting to inhuman exploitation and oppression, racial contempt and maltreatment of the colonial peoples in vast areas.

More, the old and new colonialists are jeopardizing the sovereignty of the countries which have won political independence, and are shamelessly manoeuvring to keep up their imperialist plunder and exploitation in these countries.

To win political independence does not mean the completion of the national-liberation revolution. It marks only the first step towards the final victory of the national-liberation revolution.

The important revolutionary tasks of the newborn independent countries, which have entered a new phase in the development of their histories, are completely to eradicate the aftermath of colonial domination and the feudal relations of production and firmly to build an independent national economy, while frustrating the aggressive manoeuvres of the old and new colonialists. Under the new circumstances in which many Asian, African and Latin American countries have won political independence, the construction of an independent national economy is the foremost, mature demand, facing these countries, and is one of the consecutive revolutionary tasks in accomplishing the national-liberation revolution.

Independent national economy is the material basis for consolidating political independence. Experiences show that it is impossible to consolidate political independence without economic independence.

It is impossible for us to avert pressure from outside forces as long as the key branches of the national economy are held in the hands of foreign monopoly capital and we are dependent on foreign countries for goods necessary for economic construction and for the people's living.

Only when we have an independent national economy, can we wage a relentless struggle against imperialist aggression and take a firm independent stand in international relations.



The construction of an independent national economy will enable the newly-independent countries to eliminate the economic foothold of colonialism, get rid of the economic backwardness and one-sidedness and acquire modern science, technology and culture and thus join the ranks of the developed countries.

The protracted colonial domination has entailed evil consequences on the Asian, African and Latin American countries in the social, economic, cultural and all other fields.

The predatory colonial policy of imperialism has impeded the normal development of national economies in the under-developed countries by compelling them to engage in extraction industries and monoculture so as to rob them of strategic and raw materials, and thus brought about extreme backwardness and deformity in the national economies of these countries.

As a result, the share of these countries comprising the greater part of the capitalist world's population accounts for only 13 per cent of the total industrial output value of the capitalist world, and they can hardly meet their domestic requirements for farm produce, although they have a vast tract of fertile land.

In a number of countries in these regions more than 90 per cent of exports consist of farm produce, minerals and other raw materials, whereas 70-80 per cent of imports are industrial goods.

Every year the imperialists rake in from Asia, Africa and Latin America roughly 30 billion dollars in the form of profits, and the gains from non-equivalent exchange alone. This means that foreign monopoly capitalists pocket 3.4 million dollars an hour.

The colonialist have cruelly plundered Asia, Africa and Latin America of their rich resources, and bled the people white. The modern industry and culture of the imperialist countries are nothing but the fruits of the sweat and blood shed by hundreds of millions of Asian, African and Latin American peoples.

The construction of an independent economy will make a clean sweep of the cursed aftermath of imperialism that has developed modern production and culture in Europe and some parts of the Americas alone, greatly increase the economic might of Asian, African and Latin American countries, and bring about a radical change in the aspects of world economy.

To build an independent national economy is an important revolutionary task of putting an end to the sinful colonialism once and for all. That is why the colonialists are using every means to impede the building of a self-supporting economy in the newborn independent countries, pursuing a policy of aggression towards other countries politically, economically and militarily.

Today when the national-liberation struggle is gaining momentum and the political consciousness of masses is heightening the imperialists headed by U. S. imperialism find it no longer possible to maintain their colonial domination with their old, naked method.

They are employing the method of neo-colonialism, along with the old method of colonial domination, in their attempt to subdue the newly-independent countries.

Knocking together the reactionary forces, the imperialists are setting up puppet regimes and are utilizing them as a tool in carrying out their colonial policy.

They are resorting to sinister machinations to prevent the countries that have won political independence from extricating themselves from dependency on the former metropolitan states by shackling them to "commonwealth," "community," "union" and other organizations.

Besides, the imperialists in the name of "anti-communism" have rigged up a number of military blocs and military alliances such as "Seato," "Cento," and "OAS." They have reinforced military bases and aggressive armies and are using them in their efforts to oppose the socialist countries and the national-liberation movement.

Having occupied South Korea, Taiwan, South Vietnam, Japan's Okinawa and a number of other areas by force, the imperialists are acting as the real masters in these areas. Posing themselves as friends of the Asian, African and Latin American peoples, the U. S. imperialists are using the "Alliance for Progress," etc., as a tool for neo-colonialist penetration.

In an attempt to paralyze the consciousness of national independence of the peoples of the newly-independent countries and their revolutionary will, the imperialists are spreading in every way corrupt, decadent, ideological virus and mode of life.

Trampling upon the the culture and manners and customs peculiar to the peoples of these countries with a resplendent history behind them, the imperialists are propagating the ideas of worshipping, harbouring illusion about and fearing imperialism and are fostering national nihilism.

By all these aggressive methods, the imperialists are trying to cause national splits and antagonism and undermining friendship and solidarity among nations.

Economic aggression holds an important place in the neo-colonial policy of the U. S.-led imperialists.

Under the guise of "aid" the imperialists are more viciously stepping up their economic aggression against other countries.

The imperialist "aid" is not intended for the development of the recipient countries; it is only a means of attaining their foul ends.

Former U. S. President Kennedy had the guts to state in his "Message to Congress on the Foreign Aid Program" that "the contribution of this program to our national interest clearly outweighs its cost."

Through the "aid" the imperialists scheme to subordinate the economies of the recipient countries to them, intervene in the latter's domestic affairs and, further, achieve their political domination,

They have been exporting an enormous amount of capital to the developing countries in the name of "world - wide co-operation" and "joint development of underdeveloped countries" to secure monopoly positions in the major economic branches of these countries and rob them of their rich resources.

The aggressive and predatory nature of the imperialist "aid" finds its expression also in the fact that the imperialists not only turn other countries into their military bases utilizing their military "aid" as a bait, but also force them to appropriate huge funds, several times larger than the volume of "aid," for military expenditure, thus plunging their economies into the abyss of ruin.

Under the cloak of technical "aid," the imperialists are scheming to seize the natural resources of the underdeveloped countries and play the master in the sphere of economic management in these countries:

The "Asian Productivity Organization" and various other organizations for technical co-operation under the control of the imperialist monopolies are tools for such economic aggression.

The most convincing proof of the predatory nature of the imperialist "aid" is provided by the present disastrous situation in South Korea for whose "support" the U. S. imperialists claim to have shown special concern.

Through their "aid" the U. S. imperialists have seized control of all the economic life in South Korea, and turned South Korea's economy into a military appendage to the United States of America. By concluding over ten treacherous agreements and pacts with the U. S., the traitorous puppet clique of South Korea have paved the way for the free infiltration of U. S. monopoly capital.

First of all, the financial and monetary system, the most important lever for the control of economy as a whole, is under the complete control of the U. S. imperialist aggressors.

In the budget of South Korea, 40-50 per cent of the total revenue comes from the "foreign capital" imported in the form of U. S. "aid." Without the consent of the U. S. master, the South Korean "government" can neither make a budget nor disburse even a small fund. Through the "aid" the U. S. imperialists have also put South Korea's banking organs under their control, thereby controlling the funds of all economic organs and enterprises.

South Korea's foreign trade, too, is monopolized by the United States. South Korea's import exceeds its export 20 times and 80 per cent of the total import comes from the United States. South Korea's foreign trade serves the U. S. imperialists as a means of plundering important strategic raw materials from South Korea and of forcing the U. S. surplus goods on it.

Through the strict control of the financing activities of South Korea's financial and monetary agencies, the U. S. imperialists have reorganized the industrial structure of South Korea to fit in with the consumption of U. S. raw and other materials, while doing everything in their power to hamper the development of South Korea's domestic resources.

South Korea is dependent on the U. S. "aid" for the most part of important raw and other materials such as steel, timber and cement, as well as almost all of bituminous coal, raw cotton, rayon yarn, caustic soda and other raw materials. Once this "aid" is withheld, South Korea's industry and transport are bound to cease their operation subsequently.

Since it was placed under the U. S. imperialist rule, South Korea has received more than 10 billion dollars worth of U. S. "aid." The bulk of this "aid," however, has been direct "military aid" given as a part of U. S. expenditure for maintaining their military base for their aggression upon the whole of Korea and Asia.

The U. S. imperialists are imposing a heavy burden of military expenditure upon the South Korean people every year on the principle of "Let the recipient countries pay five dollars of military expenditure for every one dollar of the "aid" they receive."

The so-called "economic aid," too, is nothing but a means of subordinating South Korea to the United States, of utilizing South Korea's resources and its production for U. S. military purposes and scraping up huge profits.

Over 90 per cent of the total "aid" to South Korea is used up for the realization of U. S. surplus commodities and war supplies, and the surplus commodities shipped into South Korea by U. S. monopolies as "aid goods" are sold at prices 20 per cent higher than the world market prices on an average. Up to 1962 the United States rendered 3.5 billion dollars of "economic aid" to South Korea, but in this period, even according to very limited data, they plundered South Korea of 10 billion dollars worth of wealth.

It is a handful of pro-American traitors who are making their fortune out of such "aid."

Owing to the constant pressure by U. S. monopoly capital and comprador capital, the development of the national industry in South Korea is completely barred, and it is entirely dependent on the United States as a crippled industry with no raw material bases and key heavy industrial branches of its own.

Medium and small enterprises are going bankrupt one after another due to the ever increasing difficulties in securing raw materials, funds and markets, and more than 60 per cent of the remaining enterprises have curtailed or suspended operation. The volume of South Korea's industrial production is in a deplorable state, amounting to less than two-thirds of the insignificant volume in the pre-liberation days.

The situation is the same with South Korea's agriculture.

The masses of the peasantry are suffering from cruel exploitation as ever under the system of feudal landownership. Under U. S. manipulation, the rulers of South Korea have squeezed the countryside mercilessly and devastated it completely, far from making investments in the rural economy.

As a result, South Korea, which was once the granary of our country exporting over 1.2 million tons of grain every year, has been turned into a zone of chronic famine importing every year 800,000–1,000,000 tons of U. S. surplus grain.

In South Korea today more than 6 million unemployed or semi-unemployed accounting for one half of the able-bodied population are roaming about the streets, and 1.3–1.4 million peasant households, or nearly 60 per cent of the total peasant households, are out of provisions. As the South Korean press admits, the people's life has been deteriorated in general and the South Korean people are experiencing the "hardest life in 4,000 years."

The colonial subjugation and plunder, political chaos and economic bankruptcy, the unprecedented hard life and social degradation – precisely these are the consequences of the U. S. "aid" given to South Korea for nearly 20 years and the aftermath of the treacherous policy of relying on outside forces pursued by the reactionary ruling circles of South Korea.

History knows no instance of any country having achieved its independent development by relying on the so-called "aid" of the imperialists.

Just as political independence cannot be offered as a "gift" by the imperialists, so economy cannot be built by relying upon their "aid".

An independent economy can be built and the development and prosperity of a country ensured only by fighting resolutely against all forms of colonialism, discarding the illusion about imperialism, overcoming all difficulties and obstacles, and standing on its own feet relying mainly on its own forces.

In each country the master of the social revolution and economic construction is none but the masses of people of that country, and the decisive factor in all victories is also the internal forces of that country.

Only when any country puts faith in the power of its own people and, counting on it, leads the revolution to victory, can it mobilize the domestic resources and reserves most effectively, develop its productive forces rapidly and resolve the problem of people's livelihood independently.

To build an independent national economy by relying on one's own efforts does not exclude economic co-operation among nations.

As for the foreign aid, we consider it is important for the liberated peoples to fill each other's needs and render aid to each other in accelerating the economic construction of the national states.

Only when a country builds an independent national economy by relying on its own efforts can it establish genuine relations of co-operation with other countries on the principles of equality and mutual benefit, make effective use of aid, should there be any aid from outside, expand and develop the relations of international co-operation independently.

Owing to the evil consequences of the colonial rule, the countries of Asia, Africa and Latin America are confronted with numerous obstacles including the shortage of funds and national cadres on the road of building an independent economy.

But they have all conditions and possibilities for building an independent national economy by relying upon their own efforts and overcoming all difficulties.

The victory of the national-liberation struggle and the achievement of political independence constitute favourable conditions for ensuring the economic independence of the country by making rational use of all material resources and manpower at home.

The regions of Asia, Africa and Latin America abound in natural resources. According to a rough estimate, these regions hold three-fourths of gold and petroleum, and nine-tenths of manganese and chrome ores in the mineral output of the capitalist world. And, according to known data these regions have inexhaustible deposits of coal, iron ore and various non-ferrous metals.

These vast regions occupying 57 per cent of the whole area of the world are inhabited by 71 per cent of the world population. The peoples in these regions are talented and industrious.



If the countries of Asia, Africa and Latin America mobilize and utilize the rich human and material resources rationally and move ahead step by step without flinching from any difficulties, the problem of raw materials, labour and funds necessary for the construction of an independent national economy can be solved successfully.

If the revolutionary enthusiasm of the popular masses enhanced in the course of the national liberation struggle is kept up and organized and channelled into the construction of an independent national economy, no difficulty will prove insurmountable and no problem insoluble.

Today a number of newborn independent countries in Asia, Africa and Latin America are striving to build an independent national economy and have scored signal successes in the upbuilding of their economy and culture. We all rejoice over this.

On the strength of the results and experience gained in building an independent national economy after liberation in our country, once a full colony, we can say with confidence that any nation can build an independent economy and bring about the development and efflorescence of its national culture if it relies on its own efforts and mobilizes its internal resources to a maximum.

## (II)

### **Lines and Ways of Building an Independent National Economy**

Fellow delegates,

The newborn independent countries of Asia, Africa and Latin America are now faced with the urgent question, first of all, of what socio-economic reforms they should carry out and what lines and ways they should choose in order to build an independent national economy successfully.

Needless to say, the lines and ways of building a self-supporting national economy may differ to a certain extent in accordance with the different features of the

national – liberation movement in the countries of these regions in its origin and development and with specific conditions of economic development in each country.

Therefore, one cannot mechanically apply the general schemata or imitate others' experiences.

It is essential for each country to settle independently all matters pertaining to the construction of an independent economy in conformity with its own specific situation and conditions.

However, due to the similarity of socio – economic conditions left over by the imperialist colonial rule, the newly – independent countries have a number of common points in questions of principle in building an independent national economy.

Main fetters for the development of the productive forces in the newly – independent countries are the survivals of economic foothold of imperialism and the old feudal relations of production and other pre – capitalist relations of exploitation still prevailing in the countryside. It is, therefore, the first and foremost question in building an independent economy in these countries to carry out the anti – imperialist and anti – feudal democratic reforms thoroughly.

As these countries were formerly subjugated and plundered by imperialism, an extremely backward and fragmentized agriculture remains the leading branch of economy and the peasants make up the overwhelming majority of the population. Therefore, the democratic solution of agrarian and peasant problems in these countries is a matter influencing social progress and one of the prerequisites to the construction of an independent national economy.

Feudal landownership is still prevalent in agriculture of many countries in Asia, Africa and Latin America.

Fertile land accounting for 60–70 per cent of the arable land is concentrated in the hands of big landlords who make up only 2–3 per cent of the agricultural population, and the toiling peasants are subjected to harsh feudal exploitation, chained to the land of the landlords.

In these countries the colonialists are raking up fabulous profits by seizing small land and running plantations of such monopoly crops as rubber, cotton, tea, coffee and jute with the slavish or semi-slavish labour of the rightless peasants.

In Morocco, the European plantation owners comprising only 0.4 per cent of the agricultural population occupy the most fertile land amounting to 13 per cent of the total land and monopolize 50 per cent of the agricultural production. Before the land reform in Algeria, the French colonialists held 32 per cent of fertile arable land.

The peasants in the countries where the land problem still remains unsolved are robbed of most of the fruits of their labour by the landlords, foreign plantation owners, usurers and cornerers.

Under the conditions in which an overwhelming portion of the national income coming from agriculture is grabbed by the feudal landlords and colonialists, it is impossible to free agro-technique from its primitive state.

The toiling peasants in Asia, Africa and Latin America are still using outmoded farm implements which have been in use for hundreds, nay, thousands of years. Land has been sterilized and the agricultural productive forces are retarded in their development.

In India where the big landlords accounting for only 2 per cent of the agricultural population possess 70 per cent of the entire arable land, the grain output has failed to show an increase of even one per cent annual average in recent years, while the rate of natural growth of population was 2.2 per cent.

As a result, a large number of people die of hunger and mass starvation prevails in India, though it imports over 5 million tons of food each year.

It is self-evident that if in countries, where the peasants comprise more than 80 per cent of the entire population, the peasant problem remains unsolved, thus failing to eradicate

poverty and century-old backwardness in the countryside, the national democratic revolution cannot make even one step forward and no mention can be made of building an independent economy.

These countries are, therefore, faced with the historic task of abolishing feudal landownership as well as the ownership of land by the colonialists and of distributing land to the peasants who till it.

The enforcement of land reform make it possible to emancipate the peasantry from feudal exploitation and release the productive forces of agriculture from the fetters of the outmoded relations of production.

This opens up the way for solving by themselves the problem of food, one of the very urgent problems in the newborn independent countries. Without solving the problem of food basically at home, no country can manage and develop the national economy with its own strength, industrialize the country or improve the people's living.

The solution of land problem provides conditions for turning the monocultural economy imposed by the colonial plunderers into a many-sided economy step by step by developing agricultural production in conformity with the home requirements.

The rise in agricultural production and the improvement of peasants' livelihood subsequent to the liquidation of the feudal relations of production will expand the home market and promote the development of the national industry increasing the purchasing power of the peasants and satisfying the growing demands of industry for agricultural produce.

The democratic solution of agrarian and peasant problems will liquidate the economic foothold of the reactionary forces in the countryside and markedly enhance the political zeal of the peasants, and thereby strengthen the socio-political basis for the democratization of the country.

This is an important factor making towards the development and prosperity of the national economy.

Another major task in building an independent national economy is to nationalize industries, transport, communication, banks, commercial establishments, etc. belonging to the colonial rulers and make them serve the interests of the people.

Today the old and new colonialists have seized the economic life-line of most of the Asian, African and Latin American countries. Nearly all the major branches of mining industry in Africa and more than 90 per cent of oil in the Near and Middle East are monopolized by the U. S. British, French and other foreign imperialists.

In Latin America the U. S. imperialists have established their control over the main branches of economy such as power industry, railway transport, and food industry, and monopolized the production of almost all the iron ore, 90 per cent of copper ore and more than 60 per cent of oil.

The imperialists are engaged in ruthless colonial exploitation of the workers of Asia, Africa and Latin America.

As a result of the vicious policy of the imperialists who are busy draining Asia, Africa and Latin America of their natural wealth, these regions remain the mining zones of the capitalist world, and the countries there have no processing industry to speak of let alone a modern machine - building industry.

Where the imperialists have seized the economic life lines, their pillage and exploitation are inevitable and the independence, development and prosperity of the country cannot be expected.

Only when the state liquidates the ownership of the foreign monopoly capitalists as well as the comprador capitalists who are in league with them and directly controls the key branches of economy, is it possible to do away with the political and economic foothold of the imperialists and domestic reactionaries and use the major means of production of the country for the independent development of the national economy and improvement of the welfare of the whole people.

Enormous funds and modern equipment are required in order to establish and develop the key branches of industry, the basis for the national economic development.

Nationalization in the newborn independent countries provides an important source of funds for the country's industrialization.

Nationalization makes it possible to use as funds for the independent national economic construction the profits amounting to millions upon millions of dollars the imperialists used to pump out of these countries every year.

In order to accelerate the economic development after the main means of production are placed under the state control, it is necessary to release the political enthusiasm and creative labour initiative of the working class. The working class is a class playing an advanced role in the building of a rich, powerful independent state, and is a patriotic force.

The rapid economic development cannot be expected without enhancing the activity of the working class. In order to raise the enthusiasm of the working class, it is necessary to make the nationalized enterprises serve the interests of the whole people, and in particular, to improve the livelihood of the working class and ensure it all democratic rights.

It is of weighty significance in building an independent national economy to lead the national bourgeoisie to serve the interests of the whole nation, not seeking after their own narrow class interests alone. To induce the national bourgeoisie to devote their capital and technique to the independent economic construction will make a great contribution to tapping the internal resources and accelerating the economic construction of the country.

It is of no little importance for the economic development of the country to improve the situation of the ruined handicraftsmen and bring their wisdom and talents into full play.

The handicraftsmen will contribute to the betterment of the people's livelihood by expanding the production of handicraft goods which have long national traditions.

Owing to the centuries – old oppression and exploitation by the colonialists, the Asian, African and Latin American countries could not have their own national cadres equipped with scientific and technical know-how, and not a small part of the population still remains illiterate. This is one of the great obstacles to the construction of an independent national economy.

Only by doing away with mass illiteracy left over by the colonialists and ensuring democracy in the social life, is it possible to bring the activity and initiative of the masses into full play in consolidating the independence and economic construction of the country.

Particularly, the democratization of education constitutes an indispensable condition for training by oneself, cadres and technical personnel needed for the construction of an independent national economy.

The Korean people have the precious experience of having successfully carried out the task of the anti-imperialist and anti-feudal democratic revolution in the northern part of the country since its liberation from the yoke of the protracted colonial rule of Japanese imperialism.

Following the country's liberation the Korean people lost no time in embarking upon the fulfilment of the task of the anti-imperialist and anti-feudal democratic revolution and carried it out thoroughly in a short space of time.

Our experience has proved that the thorough implementation of the task of the anti-imperialist and anti-feudal democratic revolution provides a solid basis for building the foundations for an independent national economy, and plays a very active role in accelerating the socialist construction of the country.

The carrying out of the anti-imperialist and anti-feudal democratic reforms is only the first step toward the construction of an independent national economy.

It is necessary for the construction of an independent nation to tackle the task of laying a solid economic foundation of the country on the basis of the successes already attained in carrying out democratic reforms.

If the peoples of the newborn independent countries are to build a firm independent economic foundation, they must overcome colonial one-sidedness and technical backwardness....a legacy of old society....and gradually go over to effecting industrialization. Unless industrialization is realized, it is impossible to extricate oneself completely from the status of being an agrarian raw material appendage to the imperialist countries and build a prosperous and powerful independent state.

Today the imperialists are blabbing that the newborn independent countries which were formerly backward economically, cannot build a modern heavy industry machine - building industry in particular.

This assertion is an intolerable insult to the peoples of the newborn independent countries and, in fact, is nothing but a brazen design to maintain their control over the economies of these countries.

And some people hold that only a few countries with a large territory and population can have a diversified industry and the other countries should develop only a few limited production branches under the pretext of "production traditions" and "gains."

But production traditions are not unchangeable, and as for "gains", consideration must be given not to temporary and partial gains, but to the interests of the national economy as a whole and to its long-term development.

If one clings to the "production traditions" and the temporary gains and develop certain branches of production alone, the economic deformity left over by the old society can neither be overcome, nor can the foundation for an independent national economy be built up.



Historical experience shows that even those countries which have inherited a backward economy can effect industrialization and, on this basis, develop the national economy in a diversified way and join the ranks of the advanced industrial states.

The methods and rate of industrialization may vary according to the conditions of each country. Some newly independent countries have somewhat developed industries, and others still fail to have even such. The technical and economic possibilities and all the potentialities of the country must be taken into account and tapped to a maximum to develop industry. We believe that necessary branches of the national economy must be created by each country within its power and the foundation for industrialization should be built up step by step while making preparations for gradual industrialization in a far-sighted way.

To carry out industrialization in the Asian, African and Latin American countries which did not have any independent national economy in the past, it will be indispensable, in the final analysis, for them to build heavy industry with the machine-building industry as its backbone. The construction of heavy industry with the machine-building industry as its core ensures the technical reconstruction of the national economy and the rapid development of the national economy as a whole.

In laying the self-supporting foundation of the national economy, the Korean people, upholding the teachings of Premier Kim Il Sung, have all along preferentially developed heavy industry while simultaneously developing light industry and agriculture; and in building heavy industry, they have held fast to the line of making it serve most effectively light industry and agriculture as well as the improvement of the people's livelihood.

This line was in full conformity with the actual condition of our country and constituted a guarantee for attaining great success in the construction of an independent national economy.

The establishment of firm, light industrial bases in the country along with heavy industry constitutes one of the important factors in the independent national economic construction. This will provide an earnest for the rapid improvement of the people's livelihood in the Asian, African and Latin American countries which had been relying on import for the greater part of their consumer goods, and a favourable condition for accelerating the development of heavy industry and agriculture. With the construction of large - scale light industry factories alone, however, the Asian, African and Latin American countries which had very insignificant, or almost no, light industries in the past, to say nothing of heavy industries, can hardly do away with the backwardness of light industry at the earliest possible date and, accordingly, expect the rapid improvement of the people's living.

Our experience in recent years shows that in order to create light industrial bases at home in a short time for the increased production of mass consumption goods, it is very favourable for economically lagging countries to build extensively medium and small, local industry factories throughout the country side by side with the construction of large - scale modern light industry factories.

The extensive development of medium - and small - scale local industries for the establishment of light industrial bases has enabled us to tap to a maximum local potentialities of raw and other materials, funds and idle labour and thereby bring about a sharp increase in the production of mass consumption goods in a short space of time.

In order to lay the foundation for an independent national economy, it is important to develop agriculture side by side with industry. To enable agriculture to overcome its lag speedily, there arises the question of developing agricultural production on the basis of the land reform, and transforming the scattered small peasant economy into collective co-operative economy as conditions mature.

Our experience shows that agricultural co-operativization paves the way for rapidly developing the production forces of

agriculture, converting the countryside into a firm food and raw-material base of the country, and eradicating the centuries - old technical backwardness in a brief space of time.

Today, in many of the Asian, African and Latin American countries, agriculture is still based on backward technique. Therefore, the peoples of these countries are confronted with the task of carrying out the technical transformation of agriculture in conformity with the economic and natural conditions of their countries.

We have steadily increased state investment in agriculture for a diversified development of agricultural production including stockbreeding, fruit-growing and sericulture with emphasis laid on the grain production in accordance with the actual conditions of our country. Also with the aim of strengthening the material and technical foundation for agriculture production in conformity with industrial development, we have supplied advanced farm machines including tractors and lorries, chemical fertilizers and other farming equipment and materials in large quantities.

In carrying out the technical transformation of agriculture, we gave precedence to irrigation while pushing ahead with electrification, mechanization and chemicalization. As a result, we now find ourselves in a position to reap a high and stable harvest overcoming the limitation of natural and climatic conditions and develop agricultural production rapidly.

One of the important problems arising in building an independent national economy in the countries of Asia, Africa and Latin America is to secure funds for economic construction and overcome the acute shortage of national technical personnel created by the colonialists.

Today the colonialists and their apologists are prattling as if the underdeveloped countries cannot solve the problem of funds without relying on surplus capital of the advanced countries.

Also absurd is the assertion that the imperialists would reduce armaments and direct funds thus released to the economic progress of the developing countries.

There is not, nor can there be, such imperialism in the world as making a "present" of surplus capital to the developing countries or accommodating them with money derived from disarmament.

Quite contrary to the allegation of these people, the primary source for solving the problem of funds in the newborn independent states is to be found in mobilizing and turning to account their own vast material resources and manpower as well as latent reserves, opposing all manner of exploitation and plunder by the imperialists.

In solving the problem of national technical cadres, it is essential for the peoples of the newly-independent countries to have, first of all, confidence in their own power and in their ability to acquire modern science and technology.

The peoples of Asia and Africa, creators of the ancient culture of mankind, are industrious and great nations with time-honoured, brilliant histories and cultural traditions.

There is no doubt that when these nations, taking power into their hands rise up resolutely in the revolutionary spirit of self-reliance, they will be able to form the ranks of their own national technical personnel capable of building and managing modern industrial states.

The Korean people put an end to mass illiteracy, a leftover of the colonialists, through a nation-wide movement in a brief span of time, introduced the compulsory secondary schooling, and are now prepared to enforce a 9-10 year compulsory technical education.

Today in our country one quarter of the population are students or pupils and the number of college students per 10,000 inhabitants has reached more than 200.

In order to solve the question of national technical cadres in a short time and advance faster in economic construction, we did not wait till we had mastered technique so as to undertake industrial construction, but adopted the positive measure of acquiring advanced technique in the course of building a modern industry, and turned all the production sites throughout the country into schools for learning technique. Now our country has established extensively the study-while-work educational system such as factory college side by side with the regular educational system.

All this goes to show that the Asian, African and Latin American countries can cast off the disgraceful yoke of economic dependence and stand on their own feet, when they place confidence in their own resources, their own technique and their own people, and tap all their internal resources.

A number of the newly-independent countries which have already carried out anti-imperialist, anti-feudal democratic reforms and are now engaged in building up the basis for independent national economies are confronted with the essential and fundamental question as to which road they should take - the socialist or the capitalist.

The socialist road is the road of subordinating all the economic activities to the interests of the whole nation, while the capitalist road is one of subordinating the economic activities of a given country to the pursuit of profits by a handful of capitalists. The former is the road of establishing public ownership of means of production, eliminating exploitation in town and country and rapidly developing the national economy on a planned basis, while the latter is one of fortifying capitalist ownership, entailing exploitation and plunder of the broad working masses and bringing production to a stand-still by leaving the national economy to the mercy of anarchy of the private economy.

It is clear that the socialist road should be followed in order to build up faster and better an independent national economy developed many-sidedly and equipped with advanced technique, by mobilizing and making an effective use of the home resources and reserves.

One can go the nearest way to independent economic construction and national prosperity without repeating the history of capitalism, a history of inevitable travail and calamities, only when one advances along the socialist path by correctly organizing and mobilizing the revolutionary forces of the masses who were awakened in the course of carrying out the anti-imperialist, anti-feudal democratic reforms.

### (III)

#### **Mutual Co-operation and Support in the Anti-imperialist Struggle is an Important Guarantee for the Development of an Independent National Economy.**

Fellow delegates,

The successful construction of an independent national economy is impossible apart from the fight against the imperialist aggressive forces and the internal reactionary forces in league with them.

The most important task still confronting the national states in making an independent development after they have won political independence is to continue a resolute struggle against the aggressive designs of the imperialists.

The imperialists are unwilling to withdraw from their former colonies of their own accord and their economic aggression has become all the more crafty and vicious, far from weakening.

Furthermore, the imperialists make no scruple of launching armed aggression, when they fail to attain their aggressive ends by fraudulent means and they are bent on all sorts of subversive activities to topple the governments of the national states. With the aim of undermining unity of the peoples of Asia, Africa and Latin America, they are resorting to every conceivable manoeuvre to drive a wedge and sow discord among them.

They band together comprador capitalists, land-lords and other reactionary forces forsaken by the people in the newborn independent states to use them as their stooges in furthering their policy of aggression towards these countries.

Although these countries possess abundant human and material resources, they are not equipped with a national industry of their own; although they have a vast tract of fertile land, they are plagued with chronic food crisis; and while importing expensive foreign goods, they are suffering from marketing difficulties. All this is attributable to the enslavement policy of the foreign imperialists.

Experience shows that tremendous progress is made in the consolidation of national independence and construction of the national economy in these countries which expose and reject the constant pressure and aggressive policy of the imperialists and fight resolutely against the domestic reactionary forces.

Only by fighting against the imperialists policy of aggression to the end is it possible to protect national industry and home markets with credit and explore a sure road to the independent development of the national economy by relying upon the revolutionary ardour of the working masses freed from slavery.

In this connection, it is a factor deciding the battle against the imperialist forces and the reactionary forces who are in league with them to closely rally around the united front and organize and mobilize the patriotic, democratic forces of all walks of life including the national bourgeoisie who are opposing imperialism and aspiring after the future prosperity of their nation.

Political independence of the country can be defended and independent economic development ensured only when the broad patriotic forces of the working class, peasantry, students, intellectuals and national bourgeoisie are roused to fight to the finish against the reactionary forces, both internal and external.

It would imperil even the national independence which has been won, should we fail to give full scope to the growing political consciousness of the working masses and revolutionary ardour of the masses, fail to mobilize the national forces, but pin our hopes on the imperialists and take the course of following their colonization policy.

Where the ruling circles of a country are in league with the imperialists or are reduced to their puppets, the sovereignty of the country is forfeited and the country is, to all intents and purposes, condemned to the fate of a colony or semi-colony.

Typical example of this is found in the present situation of South Korea, South Vietnam and Taiwan which have fallen a prey to the policy of military aggression and colonial plunder of U. S. imperialism and whose people have been plunged into dire plights.

The way to save South Korea from economic ruin, settle the immediate issue of people's living and achieve economic independence there, lies in driving out the U. S. imperialist aggressors, the sworn enemy of our nation, sweeping away the Pak Jung Hi clique, and liquidating the colonial and semi-feudal economic system which is hampering the development of the national economy; it lies in achieving the unification of the country by the united might of North and South Korea, and in restoring and developing the ravaged economy of South Korea on the strength of the foundation of the powerful independent economy built up in the northern part of the country.

The struggle of the peoples of the national states for the independent development of their countries and against the new aggression of imperialism is on a steady upsurge. With no machinations can the imperialists and their stooges curb the advance of the peoples who have embarked upon the road of national independence.

It is of weigthy importance in frustrating the new aggression and economic penetration by the imperialists and in accelerating independent economic development, to maintain close ties and increase mutual aid among the peoples of Asian, African and Latin American countries.

The peoples of many countries in these regions have won freedom and liberation after a protracted revolutionaay struggle and are now striving for the prosperity and development of their countries.



There emerged a number of socialist countries in these regions, which have accumulated certain experiences in and laid the foundation for, building a new society and an independent national economy. Also a number of countries have registered valuable results in their struggle for the independent development of the country after they have won political independence.

The countries in these regions have rich natural resources and favourable natural and economic conditions. This means they are provided with the basis for exchanging experiences and strengthening economic co-operation and aid.

Mutual aid among these countries, therefore, would greatly conduce to promoting the construction of an Independent national economy in each national state.

If the economic co-operation and mutual aid between the Asian, African and Latin American countries are to become genuine ones, we consider that they should be firmly based on the principles of respect for sovereignty, non-interference in each other's internal affairs; equality and mutual benefit, with no conditions attached to them, and that aid should be given with the intention of helping the recipient countries in consolidating their independence and achieving prosperity.

The strengthening and development of economic co-operation and mutual aid between the newborn independent countries will not only conduce to the prosperity and development of each country but also accelerate the economic development in all of these countries.

The technical and economic co-operation between our country and the Asian, African and Latin American countries is expanding from day to day. We will endeavour to further expand and develop co-operation.

The commonness of the position and goal of the peoples of these regions calls for their unity in the common struggle against imperialism, along with the strengthening of economic co-operation among them.

The independence already achieved can be consolidated and independent economic development secured successfully, only when they are closely united and intensify the struggle against the common enemy so as to drive imperialism into a tight corner and deal heavier blows to it.

We give active support to the anti-imperialist struggle of the peoples of Asian, African and Latin American countries who have risen up for freedom and emancipation, and for the consolidation of national independence.

We support the struggle of the Indonesian people who have risen up against the so-called "Malaysian Federation," and we support resolutely the struggle of the peoples of South Vietnam, Laos, the Congo, Angola, Venezuela and other countries who are waging armed struggle against the foreign imperialists and the domestic reactionaries.

We ardently support the convocation of the second Asian-African summit conference, which will be of enormous significance in the common struggle against imperialism and colonialism.

We will continue to extend active support and encouragement to the struggles of all forms, including armed struggle, waged by the peoples of the newborn independent nations and the colonial peoples having yet to win national independence, who have risen up against imperialism, U. S. imperialism in particular.

The active support and encouragement of the Asian, African and Latin American peoples to the just struggle of our people for the unification of the country is a source of powerful inspiration to them in their struggle against American imperialism and its lackeys.

The current situation is turning in favour of the fighting people and to the disadvantage of imperialism.

U. S. imperialism is meeting with setbacks and being driven to a defensive position everywhere. The people of Asia, Africa and Latin America are winning one fresh victory after another in their battle for the final liquidation of colonialism.

The newly – independent countries have stood up bravely to hold fast to the line of independent development, realize their common aspiration of building an independent national economy, opposing imperialist aggression and subjugation, and to construct a prosperous and powerful society on the “dark” lands taken over from the colonialists.

No force on earth can prevent us from materializing our common aspiration.

Let us march onward putting an end to the colonialist oppression and exploitation once and for all, further cementing solidarity, further developing economic ties and closely co-operating and supporting each other!



## SPEECH

By

**DUONG VAN DAM**

President of the Chamber of  
Commerce of the Democratic Republic of Vietnam

Mr. Chairman,  
Fellow-delegates,

We, members of the delegation of the Democratic Republic of Vietnam, are very glad to attend this second Asian Economic Seminar in Pyongyang, the capital of heroic Korea whose people have gallantly defeated the U. S. imperialists in their patriotic war to defend their Fatherland and are now upholding the spirit of self-reliance and successfully building an independent national economy.

We take this opportunity to convey the warm greetings of the Vietnamese people to the brother Korean people. We are confident that the Korean people, under the clear-sighted leadership of the Korean Workers' Party and Premier Kim Il Sung, will switch farther ahead at the Chullima flying speed and achieve more brilliant success in the socialist construction in the North and in the struggle for peaceful national reunification.

Our delegation warmly thanks Mrs. Theja Gunawardhana and the members of the Asian Economic Bureau who have taken the initiative to convene this seminar. We sincerely thank our Korean friends who have made excellent arrangements for our seminar and looked after us with most fraternal care. We extend warm greetings to all our fellow-delegates. We are very happy to meet here our sister delegates of the South Vietnam National Liberation Front, representing one half of our Fatherland seething in the struggle against the U. S. imperialists.

This Asian Economic Seminar is held at a moment when the peoples of Asia, Africa and Latin America are energetically fighting against imperialism, colonialism and neo-colonialism,

for the complete liberation of their countries on the political and economic fields, for the defence and consolidation of their political independence. At this seminar we discuss important problems such as: struggle against imperialism, colonialism and neo-colonialism, self-reliance in building an independent national economy, promotion of Afro-Asian economic co-operation. These are burning problems facing our countries, That is why our seminar has a great importance for the development of our economies, the promotion of co-operation and mutual help among Asian and African countries. Moreover, it is a major contribution to our common struggle against the imperialists headed by the United States of America, for national liberation, for the defence of national independence and the promotion of Afro-Asian solidarity.

The present developments show that the imperialists headed by the U. S. A. on one hand carry out brazen aggression with armed force, on the other hand resort to dupery, using such signboards as "peace," "economic aid," to enslave our countries politically and economically.

Since the complete liberation of the northern half of our country, our people's foremost task is to strive to build an independent and autonomous economy with a view to eliminate poverty and backwardness. But the U. S. imperialists have committed aggression against the southern half of our country, fomented troubles in the neighbouring countries and repeatedly threatened to extend the war to the North. We cannot but heighten our vigilance and stand up ready to take arms to smash all wicked attempts of the U. S. imperialists and defend our Fatherland.

At the present time, in our struggle against the imperialist aggressors and their henchmen, as well as in our self-reliant drive for building an independent national economy, shaking imperialist and colonialist sway, we peoples of Asia, Africa and Latin America who share a common task must strengthen our solidarity, co-operation and mutual help in all fields. Each achievement in any country of ours either in the national liberation field or in the economic construction field, is a

source of inspiration for all of us, at the same time an important contribution to the strengthening of our united forces against imperialism.

We people of the Democratic Republic of Vietnam constantly strive to promote Afro-Asian solidarity and develop co-operation and mutual help among countries of Asia and Africa, in the interest of our common struggle against imperialism, colonialism, and neo-colonialism headed by U. S. imperialism, for the defence of national independence, democracy and world peace.

In this spirit, we, members of the delegation of the Democratic Republic of Vietnam, together with members of the other delegations, pledge to bring our active contribution to the success of this Second Asian Economic Seminar.

We peoples of Asia, and Africa have in the past, shared a common lot; we were ruthlessly oppressed and exploited by the imperialists and colonialists who robbed us of our natural resources and turned our countries into markets for their manufactured goods. No wonder then that they have left behind them an utterly poor and crippled economy totally dependent on foreign countries. That is why, one of the most urgent and important problems facing us after independence day, is to build and develop an independent national economy as a strong basis for our political independence and a means to wipe off all remnants of imperialism and colonialism, and deal away poverty and backwardness. That is our common task. However, each country of ours has its own historical and economical peculiarities, therefore it must formulate for itself the line of building and developing its national economy suitable to its concrete circumstances.

Here allow me to say a few words about the work we have done and the results we have achieved in building an independent and autonomous economy since the re-establishment of peace and the liberation of the northern half of our country.

For eighty years, our country was a French colony. Our people was ruthlessly oppressed by the imperialists and the feudal landlords. The French imperialists kept our country in a state of utter backwardness and poverty.

Agriculture was extremely backward; all work was done by man and animal power; agricultural implements remained unchanged since centuries.

Industry was small and crippled; heavy industry was absent. The per-capita output of agricultural and industrial production in 1939, the top year before the war was: 227.7 kg of food, 4.8 m of cloth, 0.7 kg of sugar.

In the second world war, the French imperialists surrendered to the Japanese fascists and sold Indochina to them. Thus a double yoke was forced upon our people. In 1944, over two million people died of starvation.

In August 1945, under the clear-sighted leadership of our President Ho Chi Minh, our people's uprising was brought to a victorious end and the Democratic Republic of Vietnam was founded. Not long after, the French imperialists invaded our country once again. In the course of nine years of hard resistance, we have defeated the French aggressors and the U. S. interventionists, completely liberated the northern half of our country. We have started our national construction in the conditions of a heavily damaged economy with 1/7 of arable land left uncultivated, 1/3 of it without water for cultivation, all water-conservancy works destroyed, 1/4 of draught animals killed by the enemy, hundred thousands of houses and hundreds of towns burnt down, the few then existing factories destroyed or dismantled by the enemy, most of the roads, bridges, means of transport destroyed, hundred thousands of working people without a job, people everywhere threatened by famine.

Our people in the north have strained every nerve to overcome these difficulties. Confident in our own strength and encouraged by the unselfish assistance of the brother socialist countries, we have resolutely advanced forwards to build up our country.

Since the re-establishment of peace in the North, we have gone through three years of economic restoration (1955-57), three years of economic transformation, economic and cultural development (1958-60) and four years of laying the first material and technical foundations of socialism (1961-64).

(1). A great and urgent task was set before us after the re-establishment of peace: in a short time to heal the war wounds, restore the national economy and alleviate the hard living conditions of our people.

In the course of three years of economic restoration, we set forth the task to complete land reform with a view to liberating the peasants from the exploitation by the landlord class and distributing land to the tillers, at the same time restore agriculture, and on this basis we strove to restore the other branches of our economy. The restoration on agriculture was the central task of economic restoration. Concerning industry, the main task was to restore and develop light industry, at the same time we strove to develop small industry and handicraft. Of course, we did not mean to purely restore economy: we also developed it according to our possibilities and our necessities.

At the end of the period of economic restoration, agricultural production surpassed the highest pre-war figures; industrial production almost reached the same level as under French. The life of our people had initially improved. However, the economy of the North still remained fundamentally a backward agricultural one with poorly-developed industry and negligible modern industry.

(2). From 1958, we started a three-year plan of economic transformation and development and of cultural development, aimed at speeding up the socialist transformation of private economic sectors, at the same time striving to develop the state-owned economic sector.

In socialist transformation, the main link was the transformation of agriculture: organization of work-exchange teams, then passage to co-operatives of lower type and to co-operatives of higher type.



In the development of production, we considered agricultural production as the main link, at the same time we strove to develop the production of means of production and continued to step up the production of consumer goods with a view to further improving the material and cultural life of our people.

This period was considered as one of preparation for the socialist industrialization of our country. The central task in this period is the transformation and development of agriculture.

At the end of 1960, the socialist transformation in general and the movement of agricultural co-operation in particular was fundamentally achieved. Agricultural production had further developed, its annual output increasing by 16.4% as compared with the period of economic restoration; industry began to take a favourable turn with the setting up of a number of factories producing means of production. We had need no longer to import almost all consumer goods as before: we produced the bulk of first-need goods, besides began to produce a few high quality goods for exportation.

We have entered a new period when we regard socialist construction as the central task, carrying out socialist industrialization while completing socialist transformation. We embark on our First Five-Year Plan (1961-65), initially laying the material and technical foundations of socialism.

(3). Our First Five-Year Plan aims at laying the first material and technical foundations of socialism, taking a first step in socialist industrialization hand in hand with the completion of socialist transformation. To attain this goal, we have put forth these guiding principles:

—To bring into full play our own capacities, and make the most of the assistance by the brother socialist countries; to realize step by step the mechanization and semi-mechanization of our key branches of production; more steadily to meet the needs of our people in foodstuff and consumer goods.

—To give priority to the rational development of heavy industry while striving to develop agriculture and light industry; to pay special attention to the direction of industry toward more effective service for agriculture,

—To make all-out efforts to develop agriculture all-sidedly, powerfully and steadily so as to turn it into a strong basis for the development of industry.

—To strive to increase the ranks of technicians and give special attention to perfecting existing technical cadres and workers.

—To accumulate capital for construction investments, at the same time strive step by step to improve the material and cultural life of the people.

We are now in the fourth year of the implementation of our First Five-Year Plan. We have scored the following results:

—At the end of 1963, 88.96% of peasant households have joined in agricultural co-operatives; handicraftsmen in almost all main crafts have joined in co-operatives; private capitalist traders in industrialists have entered the path of joint state-private enterprises.

In the agricultural field, we have built many water-conservancy works of various sizes capable of irrigating over half a million hectares of land; reclaimed over 300,000 hectares of waste land; increased the production of chemical fertilizers and improved agricultural implements; food production has increased more than twofold as compared with 1939; animal husbandry has nearly doubled; the value of industrial crops has increased seven-fold.

In the industrial field, we have built and are building 280 major enterprises, 217 of which are completed. Up to now we have 1,000 enterprises run by the central and local governments, compared with 41 in 1954. Such important bases of heavy industry as machine-building, electric, metallurgical, chemical, mining enterprises have been gradually set up. Metallurgical industry was formerly absent. On April 29, 1963, our first system of blast furnaces went into production and we expected to be able by 1965-66 to satisfy 15 to 20% of our needs in cast-iron and steel. Light industry and handicrafts have produced 90% of our principal consumer goods.

The ranks of our technicians and skilled workers have substantially increased: the number of skilled workers has increased sixfold compared with 1957; that of cadres with university level has increased twelve-fold.

Under the French domination, 95% of our people was illiterate; now 95% of our people can read and write. Compared with the year of the re-establishment of peace, school attendance has increased 3.5 times in elementary and secondary education, 25 times in universities and secondary vocational schools. A number of national minorities have got their own scripts; many sons and daughters of the national minorities are graduates from universities.

The former consumer cities have become production centres. In those lands where formerly only one crop could be raised, our peasants can now raise two or three crops; agriculture has developed all-sidedly.

We can say that in the northern half of our fatherland, the country, the society and the people have taken a new face.

But we still meet with many difficulties: heavy industry chemical industry are in an embryonic state; light industry, though considerably more developed than under the French domination, cannot yet fully meet the needs of the people; agricultural production is still under constant threat by natural calamities; labour productivity in industry is not high enough. We must make greater efforts to overcome these difficulties, fulfil the task of building an independent national economy, wipe off poverty and backwardness left by imperialism and colonialism.

From our ten years' economic construction in the North, we have drawn the following experiences:

(1). Our country being economically backward, in order to consolidate our political independence and constantly raise our people's living standards, we have only one path: to build an independent and autonomous economy with modern industry, modern agriculture, advanced culture and science

Only by doing so, can we eliminate the remnants of imperialism and colonialism, deal away poverty and backwardness, put an end to the dependence on foreign countries and effectively make our people rich, our country strong.

(2). A key problem confronts us: to transform the production relations, to take back from the hands of foreign capitalists and domestic feudal landlords all lands, factories, mines and turn them into properties of our own people, our own country. A task of utmost importance is to carry out land reform, give land to the tillers, liberate the huge productive forces of the peasants, restore and develop agriculture.

To transform the production relations, we have resorted to various forms such as agricultural production co-operatives, handicraft co-operatives, and joint state-private enterprises. Our own experiences convince us that these forms are adequate to the development of the latent forces of our working people in towns and the countryside and to the creation of good conditions for overcoming difficulties and building a truly independent national economy.

(3). One of the main lessons we have learnt is the principle of self-reliance. This is a practical question very important for the construction of the northern half of our country. The principle of self-reliance teaches us to count mainly on the strength of our own people though the assistance by friendly countries is very important, because the construction of each country is the special task of its own people.

The whole country must practise the principle of self-reliance and each locality, each enterprise, each individual must also practise it. The whole country must not rely on foreign aid; each locality, each unit must not passively rely on the assistance by the central government. Everyone must be confident in one's strength, dare, think and act, boldly developing one's initiative to overcome difficulties.

There are some people who do not approve the principle of self-reliance, who believe that they can rely on the assistance of friendly countries for overcoming difficulties in daily life

and in production. We strongly oppose this viewpoint which makes our economy perpetually dependent on foreign countries. In the past, we have always upheld the spirit of self-reliance. Thanks to this, we have secured victory for our revolution, our resistance war, and recently overcome many difficulties: we have used domestic primary products to replace foreign ones, improved foreign equipments and machines to suit our own conditions, successfully solved the problem of technical cadres, practised economy in production and consumption to increase capital accumulation....

In Korea, especially in Pyongyang, we have found a bright example shown by the Korean people who, under the clear-sighted leadership of Premier Kim Il Sung, are upholding the spirit of self-reliance in national construction. developing their heroic tradition of selfless work and scoring wonderful achievements at the Chullima flying speed.

(4). In working out our line, we think that the most difficult thing is to decide on our initial step.

In the conditions of our country, a backward agricultural one, we have started from agriculture because agriculture provides industry with foodstuff, primary products and manpower, at the same time helps create a market for consumer goods produced by industry.

On the other hand we have timely developed our light industry in order to provide our people with commodities.

On the basis of the development of agriculture and light industry, we have given priority to the rational development of heavy industry. Our experiences have convinced us that this line is correct; it suits our national realities.

According to our line in socialist industrialization, agriculture must always go side by side with industry; industry must take agriculture as a basis for its development.

Some people conceive industrialization exclusively as the building of big modern industrial enterprises. Our technical line is to build big enterprises, to combine modern technique

with rudimentary technique. By so doing, we have been able to mobilize all our big and small productive forces into our national construction, mechanisation and modernization.

(5). The necessity of building an independent and autonomous economy with modern industry, and modern agriculture, and the necessity of improving the people's living conditions require big capital to extend production incessantly. Over the last few years, we have received the unselfish assistance by the brother socialist countries. We have made good use of this assistance; on the other hand, we deem that the domestic source of capital accumulation is essential. This source consists in national resources and the people's labour. To make a good and rational use of this source, we must practise economy and develop production. Economy must be practised both in production and in consumption. But the most fundamental thing is to constantly raise labour productivity and develop production. Our fundamental line of accumulating capital is to strive to improve technique, at the same time make the most rational use of existing labour forces and national riches, extract natural resources in the best possible way and give special attention to agriculture.

In the course of our national construction based on the principle of self-reliance, we have always enjoyed the help and encouragement of the brother socialist countries, of our friends throughout the world, especially in Asia and Africa. We are confident that in future, you will go on helping and encouraging us. We thank you very warmly and convey to you most friendly expressions of solidarity of our people.



## SPEECH

By

TOKUMA UTSUNOMIYA

Head of Japanese Delegation

*Mr. Chairman, Excellencies and Friends,*

Representing the Japanese delegation, I deem it a great honour for me to be given an opportunity to speak a few words of greetings to you – you who have, in Asia and in Africa, achieved glorious victories and won independence and you who are now so courageously struggling for freedom and independence.

Further, I should like to pay tribute to Mr. Nam Choon Hwa, Vice – chairman of the Korean Committee for the Promotion of International Trade and other Korean friends who have organized this Seminar in this honoured city of Pyongyang and are giving us all the facilities for the sake of insuring the success of our Seminar.

From the moment I landed in Pyongyang I have seen, with my own eyes, remarkable constructions accomplished as well as those now being carried on. I feel great admiration towards the Korean People who are united around their great leader, His Excellency Premier Kim Il Sung and achieving splendid progress.

Now, the most remarkable event, in human history subsequent to the Second World War, is the fact that many people of Asia and Africa have achieved, after valiant struggles, their freedom and independence and that these people are, with their own will and initiative, making every effort to develop their national economy so as to advance their own social welfare.

However, as a result of the notorious rule of colonial powers in the past, there are newly independent countries which now suffer from an underdeveloped stage of their national economy, despite the remarkable ability of their leaders and the

admirable efforts made by their people. Hence, very often they require, for the sake of promoting quickly the social welfare of the peoples, economic and technical assistance of foreign countries, and, this necessity of receiving such foreign assistance is apt to be followed by cleverly camouflaged economic and political domination – in other words, it is apt to be conducive not only to neo – colonialism but also to eventual re – introduction of open colonialism.

In order not to allow this, the first condition is that the sovereignty of independent countries in Asia and Africa be strictly preserved against any external forces which might try to undermine it.

Secondly, a road must be opened to enable Afro – Asian countries to carry out reciprocal plans for the promotion of trade and mutual assistance in matters of finance and techniques; and these must be based upon the principles of equality and mutual benefit which are embodied in the spirit of Bandung. I consider that to discuss the possibilities of these problems and to study concrete schedules to carry them out are the most important tasks given to this Seminar, Our task is by no means an easy one: we are confronted with a number of difficulties which we have first to overcome.

First, the economic structure of Afro – Asian countries is not always of similar type. It is not only possible but necessary to develop, on the principle of peaceful coexistence among the Afro – Asian countries of different social systems in accordance with the Bandung spirit, trade and mutual assistance among those countries on equal footing and for mutual benefit. For this purpose, more efforts should be made to do away with the mutual mistrust that often exists between the Afro – Asian countries of different social systems.

Secondly, many countries of Asia and Africa, for the sake of achieving the ability to carry out mutual assistance have first to succeed in developing their national economy; and, at the same time, for the sake of developing their national economy, they require external economic assistance. They are, thus



confronted with such a vicious circle. It is here that the danger of the insinuation of neo-colonialism presents itself. Hereupon I am greatly interested in the principle of self-reliance which our esteemed Korea and Chinese friends have adopted and been successfully carrying out.

The third difficulty is the fact that Afro-Asian countries are at different stage of economic and technical development. And, economic assistance given to a country at a lower stage of economic development by a country at a higher stage could lead to economic subjugation of the former. Therefore, we have to be ever vigilant lest the Bandung Spirit and principles should be violated. In the Far East, Japan, China and Korea are countries where the level of industrial development is comparatively high. I have been deeply impressed by the principles of economic assistance laid down by China on the occasion of her Premier's recent visit to African countries.

I should like to say now a few words about my country - Japan. During the recent centuries, when the practice of colonialism was extensively being advanced in the world, Japan was fortunate enough to preserve independence. And, during a hundred years following the Meiji Revolution, Japan has, relying almost on its own abilities, succeeded in the modernization and industrialization of the country. However, Japan has failed, I regret to say, to discover correct ways of cooperation with Asian countries - particularly with China and Korea. The reason for this is because Japan imitated European and American ways of imperialism. The upshot was that Japan went the way of war and was defeated; its economy almost completely collapsed.

Japan's economy has subsequently recovered: today shipbuilding, steel and textile industries occupy the first to third place in the world; and, in electronics and synthetic-fibre industries, which are newly emerging industries, Japan is competing with other countries for the first or second place with regard to the advanced techniques and volume of production.

Even if there might be some who dream of using again this considerable industrial power of Japan for the domination of the peoples of other countries or the aggression of foreign land, they are bound to meet with a vigorous opposition of most of the Japanese people who would never forget their unfortunate experiences in the past. Instead of using Japan's big power of production for such inhuman purposes as war and all other things bringing misery to peoples, we sincerely hope this to be utilised for the happiness of the peoples of Asia and Africa, for the accomplishment of their independence and the development of their national economy.

When we look at the actuality of Japan's export trade, the annual figure of which comes to some five billion U. S. dollars (U. S. \$ 5,000,000.), we must admit that one third of this total amount is the export to the United States. I think it is rather dangerous that so big a percentage of export relies upon one particular country as in the case of Japan: This could be a cause of economic and political domination by the client country. Japan is a country in Asia and feels a strong sense of solidarity towards peoples of Asia and Africa. Moreover, we Japanese people have, at the bottom of our hearts, strong indignation about the domination and interference on the part of imperialism in the countries of Asia and Africa. From this point of view, Japan has, on one hand, to increase its trade and economic cooperation with Afro-Asian countries and, on the other hand, to rectify the undesirable tendency in its trade balance and economic situation.

If we persevere in our research and our Asian Economic Seminar succeeds in drawing up concrete and substantial plans to promote Plans, to promote trade and to develop economic and technical cooperation among Afro-Asian countries, it would mean the concrete and economic endorsement of the Bandung Spirit so as not only to bring about economic prosperity to Afro-Asian countries but also to pave the way towards establishing an important condition for world peace. It would, furthermore, give objectives, confidence and encouragement to the peoples struggling today for national liberation and independence.

By expressing my firm belief in the success of our Seminar and in the final victory of the struggles of us Afro-Asian peoples, I conclude my greetings. Thank you.

## AHMED MOHAMED (Sudan)

Allow me to make a few general remarks on the report given by our Korean friend "On self-reliance and construction of independent economy."

First of all, I would like to congratulate our Korean friends on this comprehensive, clear, convincing and well-studied document which they have presented before us.

This shows the seriousness and feeling of deep responsibility towards our common problems in this particular field of the lives of our countries.

After reading carefully the report and listening to it once more, I would like to say that I fully endorse all its contents and we will do our best to popularize its ideas among our people and to mobilise our forces to ensure the adoption of its main line.

As we all know, the report is divided into three parts.

The first part is entitled "The construction of an independent national economy is an important revolutionary task of accomplishing the national liberation revolution."

The construction of an independent economy has not become an urgent task not only for the politically independent countries in Asia, Africa and Latin America but it has also become an urgent problem even for the socialist countries.

For us it is quite clear that the question of independent economy cannot be separated under any circumstances from the question of liberation in each country.

The main obstacle for us in this way is imperialism, new and old colonialism and internal forces attached to them.

Therefore, it is essential, in the first place, in the countries which have won their political independence to continue and even intensify struggle against imperialism, new and old colonialism and their stooges.

Without eliminating the influences of these forces all our talk about independent national economy would not take us very far.

This in the main is a political struggle, a political task the success of which would result in surely laying down the foundation for the construction of independent national economy.

This idea which I just expressed is contained in the first part of the report on page 4, paragraph 2 and 3.

In paragraph 3, page 4 of the report, the task, the revolutionary task, the important revolutionary task, of the newborn independent countries are mentioned in detail.

In the rest of the first part, a similar idea is expressed. My concrete suggestion, with your permission, is to stress this idea, if not in the first part of the report, in the second or in the third.

Why I say should we stress this idea? Because we have, for example, on page 5, a paragraph which says:

“Only when we have an independent national economy, can we wage a relentless struggle against imperialist aggression and take a firm independent stand in international economy. Then we wage a relentless struggle against imperialism.”

Of course both are connected.

There is a struggle against imperialism and new and old colonialism. When we achieve the basis for independent national economy and when we establish independent national economy, we would be in a better situation to continue with more vigor and force the struggle against imperialism.

The following paragraph of page 5 also says:

“The construction of an independent national economy will enable the newly independent countries to eliminate the economic foothold of colonialism, get rid of the economic backwardness and one-sidedness,” etc., etc.

This is also correct.

But to make it easier for our people to understand that first the political basis, the firm political basis must be laid down, I would like very much that placed in the first part of the report. It is also related to the question of new colonialism and the method by which new colonialism penetrates in the newly independent countries as they are enumerated in this part through puppet government through certain institutions under the cover of combating communism and by spreading corruption and decadent culture and through the so-called aid and assistance in the name of the United Nations.

Why? Because the United Nations until now with its present balance of forces is manipulated by the U. S. imperialists.

Specially in its organizations which are responsible for providing aid, and subsidy, like the International Bank, Monetary Fund and the International Finance Cooperation. These three particular organizations are affiliated to the United Nations and are controlled by U. S. and Britain and other imperialist countries.

When I say "controlled," I mean that on the basis of their contributions, material contributions, to these institutions, they have certain number of votes. If you add up their votes in these institutions, you find that they have the majority of votes.

And I do not believe that the imperialists would be so kind, as mentioned by the report of our Korean friend, as to offer aid and assistance for our countries to develop.

The United Nations is being used more and more as a tool of U. S. colonialism. We have examples to offer. A glaring one, is the example of the Congo.

Maybe tomorrow when you are discussing the question of new colonialism we can elaborate on that. I know that this is a delicate question. But many have suffered a lot under the flag of the United Nations.

The most important question is the question of the agrarian and peasant problem, with regard to the second part of the report.

The implementation of a real agrarian reform and the solution of the problem of the peasants in these countries, cannot easily be effected without real political struggle which unites the workers and peasants.

We have as you all know in Asia and Africa many kinds of governments. Some of them are even feudalist. But they raise the banner of socialism. They say that "we are socialists." We have nationalist governments, some belonging to the extreme right wing, some openly puppet regimes, others middle, others left, and so on. Many of them claim that they have implemented real agrarian reforms.

But if we discuss this topic scientifically, we had better make it clear how such an agrarian reform can be effected really to solve the problem of land and peasants.

The national democratic revolution as mentioned in the report, is the revolution which solves the agrarian question, the question of land, and the question of peasants. I cannot see how this problem can be solved without such a revolution.

In relation to nationalization, we have the similar confused set-up of nationalization.

We have some kinds of governments which nationalize all the major productive schemes---all---under their power that is controlled by the state like in the case of Sudan, for example.

All the agricultural schemes, most of the big industrial schemes and other big projects are under the government's control. That is some form of expanding the so-called state sector.

I think we should be clear where does the state get the funds? Who directs the state? In some cases the state allows foreign agents, to build projects, very important ones, with U. S. money. Taking U. S. money and investing it on land the U. S. gets all the profit and the U. S. controls the whole state machinery.

## SUPRYO (Indonesia)

The report put forward by our Korean friend Mr. Nam Choon Hwa, expresses the actual need of all peoples struggling for complete independence of their economic emancipation based on self-reliance and freedom from foreign capital domination. His report, shows how a country can build a stable independent economy, to meet the requirements of the people, in the transition from an agrarian economic structure to a modern industrial economy, inspired by the Chullima sprit and correct leadership.

In this respect, the heroic Korean people are truly rich in experience in the construction of an independent national economy as an important revolutionary task of accomplishing the national liberation revolution.

It is true that since world war II, over 50 countries accounting for more than half of the world's population have won independence, but many of these countries are still facing the problem of building from a backward to an advanced economy. The path of self-reliance therefore must be linked with the task of fighting against neo-colonialism which is the main reason of the economic backwardness of these counries.

A regards the newly independent countries that are fast emerging, the old colonial powers are still effective as oppressors in a new array. But the delapidated decaying colonial forces are facing a new world, a world that is changing, a world in which the people are waging a revolutionary struggle to eradicate the old society, the colonial heritage roots, and to establish a new society free from the clutches of imperialism, colonialism and neo-colonialism.

The practice of neo-colonialism is generally through economic channels. The ex-colonialists are creating economic ties that violate the sovereignty of their former colonies. The imperialist economic ties are also followed by military ones, in order to establish a joint defence like military pacts, to resist the revolutionary march of the peoples in Asia and Africa and also in Latin America.

Through economic and military ties with reactionary governments in Asia and Africa, they are carrying out intervention and creating confusion in the newly dependent countries in Asia and Africa.

With the weapons of *divide et impera*, as well as the device that Asians must fight Asians, they are defending their economic interests and are creating tension in the countries in Asia and Africa. By these methods, the British colonialists in co-operation with the U. S. imperialists and the other imperialists have created a neo-colonial project of Malaysia by setting up the peoples of the small countries against each other and encircling Indonesia in order to hamper the development of the Indonesian Revolution.

Therefore I completely agree with our Korean friend who said "that the successful construction of an independent national economy is impossible apart from the fight against the imperialist aggressive forces and the internal reactionary forces in league with them."

The aggression unleashed by the United States of America in this part of Asian territory is widely known, made more serious by the entering of the United States' seventh fleet into the Indonesian Ocean which is threatening the freedom and peace of the countries in Southeast Asia in general. Because of the U. S. obdurate attitude, protests against and exposures about United States' adventures are pouring in from almost every corner of Asia and Africa. The entering of the U. S. seventh fleet, is also a direct threat towards the Indonesian revolution, which is perseveringly waging a struggle against the neo-colonialist project of Malaysia.

Concerning the intervention carried out by the imperialists, we will here quote a part of the speech of President Sukarno at the opening of the Preparatory Conference for the Second Afro - Asian Conference in Djakarta as follows: "The imperialists are fighting to maintain their old positions. They, of course, do not want to part with their dominating position that they have been holding for such a long time.



“As the masters of Africa and Asia, the old colonial powers have managed to get control over their affairs up to the smallest details, and they are certainly not willing to let go of their profitable positions. They therefore are carrying out intervention in order to defend their vested interest.

“It is well known that the intervention of the imperialists is being performed throughout Afro-Asia, we may even say that the present century is the century of the intervention of the old world in the affairs of the new world—intervention on all scales, meddling into all affairs, subversion and open intervention in the Afro – Asian world.”

In carrying out their meddling, their subversive activities and intervention, the old colonial powers have always been able to find people in their former colonies, who wanted to take their aid and help them in carrying out their intentions. But the schemings of the imperialists in Africa, Asia, and Latin America have repeatedly met with failure because they colluded with the ever growing anti – imperialist people’s movements.

We can present a picture of the failure of United States’ intervention in Asia, like among others as in South Vietnam, in Laos, and also in Indonesia. These fiascos of intervention could only occur because of a high vigilance together with an attitude that does not know of any compromise towards whatever effort from the side of the imperialists, colonialists and neo – colonialists who want to restore their power in their former colonies.

The Asian, Africa and Latin American countries are faced with stratagems coming from the imperialists. Our Korean friend is correct when he said in his basis paper that “under the guise of “aid”, the imperialists are more viciously stepping up their economic aggression against other countries. Their “aid” is not intended for the development of the recipient countries, it is only a means of attaining their foul ends.”

We in Indonesia have also the experience that this so called “aid” is being used by the imperialist as a tool, not only to harm us, but also as a political weapon to protect the imperialist

aim. Fact shows us that during the confrontation against the British neo-colonialist project of Malaysia, the U.S. government pressed us with saying "that Indonesia must stop confrontation with "Malaysia" otherwise the U. S. will stop their "aid" to Indonesia." It is from the voice of the President himself that this "aid" with political strings must go to hell."

You now, very well how dangerous such an aid it is, but I should like to give you another portrait of this U. S. "aid".

The help, after World War Two, that was called United States' foreign aid, was in fact part of the MSA (Mutual Security Act). Herein was included direct military assistance, aid for defence, technical assistance, reconstruction aid, and many other terms. The "aid" of the World Bank, too, as well as that from the International Monetary Fund were covered by the category of the so-called United States' "foreign aid", although the last two were special bodies within the UNO. All these were a part of the apparatus of the reactionary foreign policy of the United States, which was aimed at supporting a policy of aggression and war of the United States monopoly capitalists.

In order to evaluate this "foreign aid of the United States" we will analyse it through an American author, Charles Wolf Jr. in his book entitled: "Foreign Aid, Theory and Practice in Southern Asia". This author was a former Vice Consul and economic expert who had worked at the United States' Embassy in Djakarta some years ago. According to Mr. Wolf, U. S. "aid" can be divided into "military aid" and "non military aid".

Its "military aid" which could also be called "aid for mutual peace" has already been manifested in various kinds of defence pacts, like the NATO, ANZUS, CENTO and others. Classified within this "military aid" is the so-called "defense aid" that has been given to the US puppets like the Pak Jung Heui clique in South Korea, and the Nguyen Khanh clique in South Vietnam, the Chiang Kai Shek clique and others.

Charles Wolf Jr. in his book also explains that the objectives of the "non military aid" can be further divided into several categories, inter-alia, the economic category and that called the humanitarian category.

The political aims of the aid is inter-alia:

1. Creating, what they call, conditions for political power and stabilization of the countries that receive this aid.
2. Creating or strengthening United States' influence in the above mentioned countries.
3. Opposing, what they call, the economic offensive of the communist bloc in the underdeveloped countries.

Their intentions in the economic fields, in which is included the technical one, among others are:

1. To secure that the underdeveloped countries will continue to sell their strategic raw material to the United States.
2. To enlarge and increase the profits gained from the international trade.
3. To open up more extensively the possibilities for investment of United States' capital.

Because of the fact that this foreign aid already has become a means of propaganda of the United States' imperialists and at the same time constitutes a means of exploitation towards the Asian, African and Latin American countries with a view to obtaining certain political concessions, we think it useful to analyze this aid.

To a country and a people that want to defend their independence and sovereignty, such a kind of aid will be definitely unacceptable, because accepting it would mean to make such countries fall prey to a continuous bondage and suppression.

The U. S. aim to create conditions for political power and stability of the states that are receiving aid is no other than to establish states that are "stable" according to U. S. demands.

As we all know, the peoples in the countries that have just been liberated from the domination of imperialism, today are industriously working to build up their countries in order to free themselves from the remnants of colonialism. Therefore, imperialist aid under cover of economic stabilization will not

be able to impede the revolutionary spirit of the peoples of Asia, Africa and Latin America who want to liquidate the vestiges of colonialism.

The Asian, African and Latin American countries in general, the countries of Asia in particular, are still being faced with vast problems in the economic field, which cannot be separated from the political situation within their country in their striving to achieve economic independence, free from the domination and influence of foreign imperialism. This will mean among others:

A. The establishment of a national and democratic economy, free from the domination of imperialism and feudalism.

B. The implementation of a land reform that will favour the peasants, who till the ground in order to increase the production and the purchasing power of the peasants as the largest group of consumers in the countries where the economy is not yet developed.

C. The industrialization of the country.

D. The raising of the standard of living and the cultural level of the people.

All these measures can only be carried out through a revolutionary way by leaning on the adequate political and economic resources of the countries, while foreign aid only constitutes an additional factor which should be brought in conformity to the national plans of the respective countries, based on self-reliance.

Experience has made evident that the "stability" desired by the foreign aid of the United States, often was opposing the course of the national and democratic revolution in the respective countries. Just in the same way, in order to achieve complete political and economic freedom, the Afro-Asian and Latin American countries animated by the Bandung spirit, put up a struggle against the wicked endeavours and influence of the United States' imperialists.

We have registered several bitter experiences, in which certain countries in Asia, the Middle East and Latin America that were tied to U. S. imperialism, which automatically lost their freedom to move while their economic situation remained backward.

The profits gained out of the international trade will not be enjoyed by the countries that are still developing, because of the fact that the markets for raw materials, for the greatest part, are dominated by the Western Imperialist countries. The prices for these raw materials are decided unilaterally by the purchasers in the capitalist countries. On the other hand, they are selling the products of their industry at high prices, so that as a consequence thereof, the first are being dominated by the latter, and the weak are falling into a greater poverty, while the strong are becoming still more rich. According to the "U. N. Monthly Bulletin of Statistics" (February 1961) the fluctuation of the prices in the capitalist market was as follows:

(1953 = 100)

	Prices of raw materials	Prices of manufactured goods
1952	104	104
1958	96	106
1959	94	106
1960	93	109
1961	92	110

As it appears on the table above, the relative prices of raw materials and of manufactured goods have become worse with regard to those of raw materials, whereas the prices of manufactured goods have become higher and higher and in 1961, the difference between the two amounted to 18%. The imperialist countries in this way, are draining huge profits out of their trade with the countries that are still developing, to an average of one thousand million dollars.

Thus, the aid of the imperialists aimed at increasing their profits gained from the international trade, has a positive effect on the imperialist countries, but turns out negatively for the countries which are receiving that "aid".

Other records display, since 1950, that the net amount of investment of the United States in the countries that are still developing cover 4,112 million dollars, while profits scraped away from the said countries in the same period amount to 11,313 million dollars.

The conclusion we may draw from the above mentioned figures, is, that over a period of 9 years (1950 to 1958), the countries that were said to be aided with foreign aid of the United States have actually not been helped. The U. S. imperialists on the contrary have been able to pocket 275 million of the capital they invested. This certainly is an enormous amount which has been drained out of the natural resources of the countries that were said to be given "assistance".

Another important aspect of this U. S. aid is that it is giving aid to the industry of the United States itself. The export of its goods is a necessary condition with regard to receiving the surplus of its products in avoiding a decline of a much harder economy. To meet this need of foreign economic help which is bending is one of the ways out for the difficulties in which the U. S. imperialists are finding themselves. Such kind of help is accompanied by a condition to buy goods from the United States, that is, "buy American policy" and that the credits obtained by the countries in Asia and Africa cannot be used freely.

United States' monopoly, in this way, is making economic and financial profit at the expense of the countries that are getting their aid.

Dear friends and fellow delegates, I go further. To adhere to the principle of self-reliance in the national economic development, several problems rise. In our opinion such problems we can put categorically as follows:

Firstly all efforts made would be related to the concrete conditions of the various conditions in the economic, political, social and cultural field.

Secondly, along with our experience there must be a realistic evaluation of the natural resources, the existing economic forces, including the manpower situation, and the problem of financing and organization.

Thirdly, foreign trade of the respective countries should be developed and foreign assistance should be an only additional factor, international cooperation between the newly emerging forces should be strengthened.

Dear friends, and fellow delegates, that is in general.

Concerning the problem of land reform as has been put forward in basis Paper No. 1 by our Korean friends, Mr. Nam Choon Hwa, he said, that the enforcement of land reform makes it possible to emancipate the peasantry from feudal exploitation and release the productive forces of agriculture from the fetters of outmoded relations of production. It means to open a new era for the peasant to increase the standard of living.

Allow me also to make some considerations in this respect.

According to experience, land reform in several countries could only successfully be implemented for the benefit of the tillers if this will be done radically – the total abolishment of feudalism. In this way productive forces in agriculture could be developed and the implementation of increasing agricultural production could be achieved because they become proprietors of their own production. By implementing such land reform the increase of agricultural production and the improvement of peasants livelihood subsequent to the liquidation of the feudal relations of production will expand the home market, because of the increase of purchasing power. This will also promote the development of the national industry and satisfy the growing demands of industry for agriculturol production.

On the question of nationalization as analysed by our Korean friend to be another major task in building an independent national economy is to nationalise transport, communications, banks, commerical establishments, etc., belonging to the colonial rulers and make them serve the interest of the people.

In this case we in Indonesia have an experience and allow me, fellow delegates, explain to you our experience – in 1947 when the fighting against Dutch colonialism reached the peak,

the working peoples in his firm struggle nationalized all the Dutch property consisting of estates, transport, communications, banking, shipping etc, and further the government agreed to the workers' attitude by taking over the Dutch property. The struggle of the working people in this respect is very decisive, and strengthened the ways and means of the struggle for independent economy.

Further, I agree with the formulation of our Korean friend that countries in Asia - Africa are rich in natural resources and economic condition and this means they are provided with the basis for exchanging experience and strengthening the economic cooperation.

It is quite right that mutual aid among these countries therefore would induce to promote the construction of an independent national economy in respective national states.

Basis of this aid and cooperation should be on the principles of Bandung, that means on the principles of respecting the sovereignty, non - interference in each other's internal affairs, equality and mutual benefit, with no conditions attached and that aid should be given with the intention of helping the recipient countries in consolidating the independent and achieving prosperity.

And now I am coming nearly to the end. On behalf of the Indonesian delegation, I should like to say some words more, directed to you dear Korean friend Mr. Nam Choon Hwa and also to the whole Korean people and to the government of the Democratic People's Republic of Korea, who fully support the Indonesian people's struggle against the British neo-colonialist project Malaysia which is also supported by the U. S. imperialists.

I admire the high spirit of international solidarity among the Korean people shown to us. In our opinion to crush the British neo-colonialist project Malaysia is also in common with the Bandung spirit. It is a spirit to fight firmly against imperialism, colonialism and neo-colonialism. Therefore I believe that Madame Chairman, and also fellow delegates from Asia, Africa, Australia, New Zealand could share the opinion and sentiments of the Korean people in this respect.



## TEMMAR HAMID (Algeria)

Before I take part in the discussion concerning the report of our North Korean comrade, I wish to convey the greetings from the National Liberation Front Party to the work of the Seminar and to assure comrades who organised the Seminar and comrades who are taking part in it of the interest we have in everything that makes it possible for us, our people, to attain our sacred objects, i.e. independence of the country, conditions for enhancing the living standards of the people and conditions for a veritable fraternal cooperation.

We would be happy if you could evaluate our presence at this Seminar in this sense.

Further, before I take part in the discussion, I wish to call your attention to some points which will make the case of Algeria clearer.

It is said in the report that the peoples of China, Vietnam and Korea have been liberated from the imperialist yoke and achieved great successes, while the Cuban people have resolutely embarked on the road of socialism.

The fact seems to have been left out that the Algerian people, under the leadership of the National Liberation Front Party and the Party Secretary-general Ahmed Ben Bella, have likewise taken with a firm step and unflinchingly the road of building a new society where exploitation of man by man has no place any longer.

The Algerian people have seen colonialism in its most odious form. They are now defending themselves against the blows which foreign imperialism is trying to aim at our young but vigorous socialism from outside.

It has been said elsewhere that the French colonialists still hold 30 per cent of the fertile land of the country. I wish to make it clear that the French colonialists hold 100 per cent of the rich land and 40 per cent of the area under cultivation of our country.

Now the leadership of the country has seen to it that all the land belong to the Algerian people. Truly, the land of Algeria cannot belong to anyone else but the Algerian people.

With these points made clear, we are practically in agreement with the general features of the report of the North Vietnamese comrade concerning:

- (a) Firstly, the necessity of establishing an independent economy beginning with industry.
- (b) The analysis of the aspect of the economic dependence which we say personally, is underdevelopment. We use this term essentially in its economic sense.

As a matter of fact, we compare the underdevelopment with the developed countries, having in mind that we call for organising the development of the country and for embarking upon the road of economic growth.

As to the political meaning of the word "underdevelopment" our view is clear-cut. It means exploitation of the underdeveloped countries by countries with developed economy. If this exploitation is direct, it is colonialism. If the exploitation is veiled, it is neo-colonialism.

The Western economic theory which we know too well through our universities also takes up the problem of underdevelopment, but confines "the underdevelopment countries" to a vicious circle of poverty. To the view of the Western theoreticians the dependent countries cannot free themselves from their poverty. They are condemned to misery, as the Western countries are evidently condemned to richness. The example of North Korea and the example of China are two examples that refute this theory.

An underdeveloped country is capable of developing itself and its economy is capable of growing. It has only to organise itself, rely on its own human and material force, and to clearly map out its path before making its march forward.

To us, therefore, "underdevelopment" means exploitation. It can be underdevelopment by analysing the aspect of a dependent economy.

The comrade who made the basic report did it with precision. We are in accord with him. But we think that the presentation of the aspects of a dependent economy should be done taking into consideration other characteristics:

In the first place, agriculture in a dependent country clearly manifests dependence of the exploited countries.

It manifests the dependence in two ways, i.e., from a juristic point of view in the first place, i.e. organisation of the ownership of the feudal type. From an economic point of view, too, agriculture has generally two sectors: an up-to-date sector and an exploited sector in the pattern of merchandising production, which is most often international, and the farm workers are nothing but wage-earners at the mercy of the employer.

I will cite the instance of Algeria which I know best. The up-to-date sector makes up 30 per cent of the production.

Another sector is the sector which has been traditionally cultivated with rudimentary means of production for the subsistence of the peasants. I am going to cite another example of Algeria. The traditional sector covers 70 per cent. And 30 per cent of the production and 10 per cent of the population belong to the up-to-date sector, while the traditional sector has 70 per cent of the production and 90 per cent of the population.

This is reflected in the political aspect, firstly, as exploitation of farm workers by absentee landlords. Secondly it is manifested as the proletarianisation of the peasants. Thirdly, it is manifested as the blocking up of the political system, with the country becoming a toy in the hands of big propertied classes, stifling all spirit of progress and innovation.

Industry comes next. It is based first of all on the exploitation of underground resources or on the existence of light industry.

It is particularly in this domain that the dependence of the country is manifested. Its contribution to the national income is small—in Algeria, barely 18 per cent of the national income. Besides, industry consists of small production units which are related and united with the production in the dominating country i. e. in France.

Industry of a dependent country exists only for the reinforcement of the industry of the metropolitan country and for pumping out the wealth of the dependent country to the metropolitan.

In Algeria a special place in this connection is occupied by the oil industry which is at present a typical sector where such exploitation of the capital is active.

Organisation of the oil industry is in such a state that the country is associated only with the stage of production. All the rest of the operations, i.e., transport, processing and marketing is carried out entirely by international capital and its personnel.

In this domain, moreover, international capital takes care of organising international marketing and of regulating speculations in a minute way.

However, this regulation only provides for the grip of the international capital on the producer country.

The third great sector that gives room for the analysis of the dependence is that of credit and the bank.

Even the international statistics of the U.N. indicate that countries that strive for developing their economy cannot rely upon outside aid because their economy is weak quantitatively and qualitatively. It is not adapted to the needs of the country.

It has been noted that foreign aid coming from the Western countries assumes essentially the form of short-investments, which means a lack of confidence in the national economy and utilization of this credit for sectors which are rapidly realisable, that is, light industry and handicraft or particularly in Algeria, commerce. Finally this signifies shipping of the realised profits out of the country.

Banks that realise, among others, a heterogeneous circuit of credit exceptionally in favor of foreign trade are meant for speculation and loan which counts on monetary rentability and not on the productivity of the national economy.

This is what is concerned with the presentation and analysis of the economic aspect of a dependent country, that is to say, essentially of the majority of the Asian, African and Latin American countries.

As to the way out, we note that the report presented by the North Korean brother poses the urgent question as to what social-economic reform should be realised for successful construction of an independent national economy. We are astonished that one speaks of social-economic reform, when the question is a radical transformation of the methods of production and distribution and of the building of a new society on the basis of equality in labour and the categorical refusal of the exploitation of man by man.

This clarified once more that we should find an accord with the general line of the presented report.

Priority, therefore, must be given to industrialisation of the country. This is the necessary condition and, indeed the sole condition required for the construction of an independent economy.

However, we think that industrialisation of the country should be based on the revolution of the agricultural sector before anything else. As a matter of fact, for many of our countries the real wealth, existing at present and capable of bringing forth surplus value is agriculture and to a lesser degree the underground resource.

It is the only wealth capable of immediately bringing forth a super value, and this super value should serve to put industry on a right footing. This scheme, in our view, is realistic. It fully corresponds to the concern of developing the country with the country's own natural resources.

It is in this spirit that we think that the first measure to take for any country that has been freed from colonialist yoke and thus become nominally independent, is the realisation of agrarian reform and cultivation of land by the tillers of land solely in their interest.

Within less than one year after independence of Algeria half the land has come to belong to the tillers. They are organised in each plantation into general assemblies of workers that elect their own management committees. And we have ascertained that, despite the management conditions made particularly difficult by the evacuation of material capital by the fleeing French,

despite a lack of credits that disappeared with the closing down of banks following independence, the workers of the people's farms, having confidence in the sense of responsibility of the people and the masses of the peasants, have put their land into function within the shortest span of time and with great results. We consider that this was the first stage of agrarian reform. It covered 2.5 million hectares of the richest land in Algeria.

The stage is one in which Algeria is now engaged. It is the limitation of the ownership and its transmission to the hands of poor peasants.

This corresponds to the sociological concern in the first place, to the necessity of the revolutionary leadership of the country which stands on the broadest base and on the idea that in the agricultural front nothing can be done without active and interested participation of the peasants themselves. However, private ownership essentially implicates that it would be limited, and peasants with thus limited ownership will be organised into production co-operatives, then management.

If there is no necessary premises for co-operatives we form mutual-aid committees. This is an elementary form of co-operative.

And these co-operatives are to develop into a superior socialist form of farming: self-management, that is to say, management of the production units by the workers themselves.

However, the agrarian reform is both politically and judicially of little or no significance if it is not accompanied by an agricultural renovation, that is to say, improvement of techniques, conquest of land and a large-scale application of the most up-to-date production methods. In Algeria we have utilised the formula of "voluntary work brigade" for reclaiming a maximum of land and for palliating the shortage of machines.

We consider that such a line of agrarian reform is first of all a realistic solution, and then radical, which will make it possible to free capital which we need for our industry this industry whether heavy or light sets forth the problem of choice which

can be of doctrinal significance. We think that the target is to bring into being a heavy industry, solely capable of ensuring the country economic independence. This undertaking must be progressive, however.

An interesting example, it seems, is shown by North Korea and Cuba.

The immediate promotion of machine-building and electric power industries with the aid of fraternal countries and by means of export which are capable of processing our riches and of making it possible to utilise fully and on the spot all the natural riches. This industry must be directed essentially and primarily towards agriculture and for the promotion of agriculture.

Algeria possesses an immediate chance tending to reinforce its agricultural potential. It is oil. In a short space of time the yearly production of oil reached 20 million tons. Yet, of this 20 million tons the part which is at the disposal of Algeria is insignificant as compared with the figures realised by the French, American and British firms. We can hardly accept such a state of affairs.

That is why we have decided to set up with the aid of the Soviet Union an Institute capable of training one thousand national cadres specialised in the domain of oil chemistry.

In other respects, we have demanded and obtained a large participation of Algeria in the installation of a pipe-line which links Sahara with the Mediterranean coast. We have other projects which will really place this sector gradually in the hands of the nation. However, for the realisation of this plan, in our view, four institutional premises are necessary.

- (a) Firstly, a vanguard Party, capable of explaining and leading the people for the realisation of the objects in principle or the precise object.

We are fully in accord with the report when it indicates what important role is played by the mobilisation and enthusiasm of the popular masses in the realisation of a new society. We are personally convinced of it, because the liberation of the country has been an achievement which is eminently popular.

- (b) And then, a plan which indicates the principles of organisation of the national economy for a greater production in agriculture and for promoting industry.
- (c) In the third place, nationalisation of foreign trade that will prevent national capital from being allied with international capital, stifling the popular section in the interest of the private ownership.

But, we think, the greatest prudence should be exercised in this field.

We have personally experimented the total nationalisation of our foreign trade. We were unable to assume this responsibility because of a lack of experiment in the first place, because of a shortage of cadres in the second, and because of a want of preparation. We have reached a very flexible idea, the idea of setting up a mixed company which will make it possible to harmonise the experience of the private capital with the State capital, and this with the disappearance of long-term private capital.

- (d) The fourth premise for the realisation of our plan is the formation of cadres. In this connection we express our sincere admiration for the achievements of North Korea which have been able to connect education with production realising a close integration of theory and practice. We will take home with us full information in this domain.

We have also gained certain experiences in the formation of cadres. We have been assisted by the socialist friends in this connection. The portion of contribution we received from China has been very great. Among others 90 per cent of the students we have sent abroad are in the sector of production and industry. Finally as to school attendance, its percentage has been doubled as against the colonial days within a year of independence. And we hope to realise the full school attendance of our children at the time of admission in the coming October, 1964.



This is our view for the realisation of an independent economy. We are certain of not having been complete nor precise. We excuse ourselves.

We think, however, that to make sure the realisation of an independent economy, a definite foreign policy is necessary. Personally, we will refer to the principles defined by the Bandung Conference: independence, fraternal co-operation in the respect of national sovereignty and by the African Unity Organisation.

Our aid is for all the countries that fight against colonialism or neo-colonialism and for independence. Our aid is active, and is also effective.

I thank you brotherly organisers for your having allowed me to speak and bring a modest contribution of Algeria to the work of this important Seminar.



## I. H. GARBA-JAHUMPA (Gambia)

From Gambia to Korea it takes ten days, simply ten days to travel by air in these modern days—to come to Korea, ten days!

You have also got to consider the problems about changing money twenty-five, thirty times. Then there is the other complication of communication. Isn't it time that there should be one national bank for Africa, one national bank for Asia and one international bank for the Afro-Asian countries? Isn't it time that we must begin to think of coordinating our airlines and our shipping lines so that communication can be easier? These, Mr. Chairman and fellow delegates, are also matters that help smaller countries and bigger countries as well to maintain self-reliance and economic independence.

In the great organization for African unity which came into being in May last year, and in which our great leaders in Africa, particularly the dynamic national African leader Dr. Nkrumah played a leading part and comrades in other parts of Africa as well, so many good ideas have been put down in the great charter which have been ratified by most of our African countries, particularly, those of you who are now independent. The problem is still bad. We in the Gambia grow about 98,000-100,000 tons of groundnuts and our friends in Mali are producing the same thing! And yet there is no port. Mali is a landlocked great country. Self-sufficiency and independence of economy can be fostered in countries not only in those that I mentioned but in other countries both in Africa and in Asia by cooperation. My friend, the Korean delegate, delivered a magnificent report for which I warmly congratulate him on behalf of my organization.

There is no force on earth that will stop the Afro-Asian people from their path, this is, the path of making Afro-Asian countries self-sufficient on the basis of self-reliance and economic independence, when there is less talking and more action.

## F. N. MACHARIA (Kenya)

The Korean delegation's report is very constructive, inspiring and explains fully the economic situation that prevails in the Afro-Asian and Latin American countries.

There can be no dispute when our Korean comrade says that this so-called imperialist aid is aimed at dominating, frustrating and monopolising the economies of the Afro-Asian and Latin American countries.

Your report has created a new outlook in our minds and given us the true picture of the Korean people's struggle in their reconstruction of their national economy especially after the many years of Japanese colonial subjugation and merciless destruction of Korea by the American imperialists. This achievement has been due to the dynamic leadership of your great premier Comrade Kim Il Sung. The whole world holds him in appreciation.

We are firm and unflinching believers in Afro-Asian solidarity and I am very much convinced that there is a share and a place for all according to capacities.

This share is in the contribution of the technical know how the exchange of experiences and close co-operation which the founders of the Afro-Asian economic organisation aimed at.

But we cannot achieve these on time without unifying and consolidating our efforts and at least integrating our aspirations for a better, happier and more dignified life, which alone offer the best hope for our future.

## YUNG LUNG KWEI

*Deputy-head of the Chinese Delegation*

In the morning session, Mr. Nan, head of the delegation of the D. P. R. K. has presented a special report on self-reliance and the construction of an independent national economy. We are much enlightened and benefited by this excellent speech which provides detailed explanations and analysis in many aspects on the question of the application of the principle of self-reliance in the building of the national economy of newly independent countries.

As we all know, the DPRK is a most convincing proof and an excellent example for us as far as the construction of the national economy along the line of self-reliance is concerned. Only less than twenty years have passed since the independence of the DPRK, and during this period, it suffered from the ruthless aggression and large-scale devastation by the imperialists headed by the U. S. As a result, the whole of the northern part of Korea was nearly reduced to ruins, and heavy loss and damages were incurred in the manpower, material strength and financial abilities of Korea. However, under the correct and brilliant leadership of the Korean Workers' Party and Premier Kim Il Sung, the Korean people have scored historic victory in the War of Liberation of the Fatherland, and the allegedly most ferocious imperialists, the U. S. imperialists suffered here in Korea the most slashing defeat for the first time in its history. After that, the Korean people have, within the short period of a decade, completely healed the wounds inflicted on her soil by the U. S. imperialist aggressors. On the ruins of war, the Korean people have speedily rebuilt an ever-prosperous socialist industrial-agricultural country with the solid foundation of an independent national economy. And on this basis, they have further appropriated as far as possible economic and technical force for rendering assistance and support to newly independent countries.

The brilliant success of the Korean people has irrefutably proved that only with economic independence, can we consolidate political independence. The revolutionary spirit of

self-reliance, so full of vigorous vitality, is the essential guarantee for the construction of an independent national economy. It has also proved convincingly that despite the difference in their local conditions and their economic levels, as long as they rely closely on and give full expression to the strength of their own people, and as long as they possess independently and utilize fully the economic resources of their countries, all the independent countries whether big or small will certainly be able to build their countries into prosperous and strong ones.

Allow me to take this opportunity to make a few supplementary remarks for your kind consideration on the question of the development of an independent national economy by relying on one's own efforts. And your comments and criticisms will be appreciated.

1. Self-reliance is the basic standpoint for the development of our independent national economy. It is also the basic starting point for building our countries into new types of independent, free, prosperous and strong countries.

In the realisation of political and economic independence, any country, whether big or small, must rely mainly on the strength of its own people to achieve national liberation and to carry on construction. As far as those countries which have achieved political independence are concerned, the development of the independent national economy should be based on their needs and possibilities and be accomplished mainly by organising their people properly, displaying the enthusiasm, initiative and creativeness of their people in national construction, making full use of all possible manpower and material resources and relying on their internal capital accumulation. For many countries, in the initial stage, the building of national economy on the basis of self-reliance may not yield quick results. However, if solidly built on the basis of self-reliance, the national economy will forge ahead at an unprecedented speed. Therefore, self-reliance is the basic guarantee for developing an independent national economy and ensuring the successful progress of national economy and ensuring the successful progress of national construction.

2. To take into the hands of the people gradually and by appropriate and reasonable ways the economic life-lines of the country is to lay an important economic foundation to ensure that the spirit of self-reliance will yield the most effective results and to ensure the building and developing of national economy at higher speed and on larger scale.

It has been proved by experience that only through various appropriate and reasonable ways and means, in accordance with the specific conditions of the country, and taking gradually and resolutely into the hands of the people economic sovereignty of the country and such economic life-lines as customs, banking, the issuing of currencies, finance, the main branches of industry and agriculture, the right of the exploitation of economic resources, key branches of communication and transportations, foreign trade and domestic wholesale commerce, etc. can an independent national economy be effectively built, consolidated and developed, can the achievements made on the basis of self-reliance be possessed by the people and become the reliable source of strength for the development of national economic construction.

If the economic sovereignty and economic life-lines are controlled by foreign forces, they will be able to take advantage at any time of this weakness to force us to comply with their will. They will be able to take urgent measures at any time in the key branches of our economy so as to paralyze it, they will be able to make use of their economic privileges to serve the purpose of their political intervention, control and subversion. Under such circumstances, the revolutionary spirit of self-reliance and the new born forces of the national economy will naturally be suppressed and will not be able to develop and grow up rapidly.

In the development of an independent national economy, the most practical and most paying important question which requires immediate settlement is the controlling of economic sovereignty and the economic life-lines of the country by its own people.

3. The development of an independent national economy by self-reliance means that a country should mainly rely on internal accumulation and resources to set the scale and speed

of its economic construction and put the economic construction mainly on the basis of its own manpower and material and financial resources.

International accumulations and internal resources are the most reliable means. To rely on their own people to accumulate capital gradually and rationally and to exploit national resources in a positive and effective way within the reach of all countries.

Naturally, when gradually increasing the internal accumulation in our own national economy, we should also appropriately and gradually improve the living condition of the people, especially the working people. Therefore, we must correctly integrate the capital accumulation, the development of national construction and the improvement of people's livelihood.

4. Positive and effective measures must be taken to adjust gradually the internal economic structure of the country and to change the poor and backward economic physiognomy caused by imperialism, colonialism and neocolonialism.

As a result of long years of aggression, plunder and rule by imperialism and old and new colonialism, we of the newly independent countries are facing a common problem, that is the economic structure based mainly on an undiversified economy and raw material production. That is to say though, we have achieved political independence, the dependency imposed by imperialism and colonialism on our economy has not yet been completely changed. The colonial and semi-colonial character caused by their long rule on our economic structure has not been completely changed. Therefore, to change this economic structure positively and gradually is an arduous and important task for the newly independent country in developing their independent national economy.

In order to develop an independent national economy by self-reliance and change the economic structure caused by the long rule of imperialism and colonialism, we have to work in two fields. On the one hand, we must develop our agricultural economy and on the other hand we must also develop industrial economy, closely combining the two. In agriculture, it is

necessary to develop first food production while at the same time rationally developing multiple crops, A developed agriculture can provide food, industrial raw material, internal market, capital accumulation and manpower for industry and the whole national economy. In developing industry, it is necessary to realise gradually national industrialisation at various degrees in accordance with the varying conditions of each country.

As we all know, there can be no solid national defence, nor prosperity and national strength as well as the people's welfare without industry. Industrialisation is therefore the common desire of the people of Asia, Africa and Latin America.

5. We should adopt all possible and effective measures to train our own technical and managerial personnel. Only when our own people have mastered the technique and the skill in developing and managing economy, can we display better the revolutionary spirit of self-reliance and develop more effectively our independent national economy. Among we Asian, African and Latin American peoples, there is a great potentiality of immeasurable wisdom and strength. We will certainly be able to master all the advanced scientific technique and management skill.

Dear delegates and friends, we bear full confidence and hope in developing the independent national economy on the basis of self-reliance. We should learn experiences from and exchange experiences with Korea and many other countries, and raise higher the banner of self-reliance to turn it into a great material and moral force in the grasp of the Asian, African and Latin American peoples. Self-reliance is a positive policy which represents the legitimate aspiration of the broad masses of the people for a speedy national construction and better life.

The more the new emerging countries can rely on their own efforts to develop economy, the stronger will they be in ridding themselves of imperialists, colonialist and neo-colonialist plunder and control, the more will they be able to safeguard and consolidate their political and economic independence.



Naturally, in order to develop independent national economy, while we must rely mainly on our own people, it is also necessary to strengthen economic co-operation of the various countries on the basis of the principle of mutual respect for each other's independence and sovereignty, mutual non-aggression non-intervention in each other's internal affairs, equality and mutual benefit, and peaceful co-existence. Concerning the enhancing of economic co-operation, as the Chinese delegation is preparing a special report on the subject, therefore I shall not deal with it here.

Fellow delegates and dear friends, the reason why the imperialists are against our adopting the policy of self-reliance is very simple. Because what they need is to maintain their colonial rule. We should never entertain any illusion about imperialists. The reason why the modern revisionists are also against this is very simple too. Because they want to promote their great power chauvinism and national egoism, and they would like to promote their line of capitulationism, of not opposing imperialism in Asia, Africa and Latin America. We must be vigilant against this. And we must further enhance and develop the revolutionary spirit of self-reliance, so that it may take root and blossom everywhere, and give abundant fruits.



## WADADA MUSANI (Uganda)

*Dear Comrades,*

It is with great joy and great expectations for a prosperous future of the Afro-Asians that I present the fraternal greetings of the people of Uganda and convey their great wish for the success of this Seminar, which they hope will offer them a solution to many of their economic problems which at the moment appear insoluble.

This Seminar here has been possible because of the heroic struggle carried out with great sacrifices by the Korean people to drive out the imperialists and their lackeys from this beautiful land. I cannot but note that twenty years ago this Seminar could not have been possible. This Seminar has also been possible because of the untiring efforts of the Korean people to work hard in building and reconstructing their economy with the aim of achieving an independent national economy free from the interference and machination of imperialism and neo-colonialism.

Neo-colonialism is nothing but economic imperialism and colonialism. This is a device of the imperialist countries to keep the politically free peoples of Asia and Africa under their control.

When the imperialist countries allowed some of the Afro-Asian countries to attain political freedom they were certain in the bottom of their hearts that these countries would not make much of this independence because they the imperialists had still got control of the economy.

The imperialists use various methods to go all out spending large sums of money to create within a country conditions favourable to them by organizing the women and youth of a country to be sympathetic to them and to come to their defence whenever the progressive forces of a country determine that there should be an end to economic domination and speak of the need for independent national economic development. Not only this but they also endeavour by dubious ways and means to get the leaders of the country under their control, who in turn give them a free hand and in some cases assist them, by buying shares in imperialist companies, to exploit the people.

The result of all these tactics of the imperialists is to create the impression among the masses that without their assistance and sympathy there would be no development. They even create frustration among the people who begin to say that they were better off under colonial yoke than they are under their own national government. When the imperialists manage to create such an attitude they become bolder in their actions and pretend to be serving the interest of the exploited people, many a time even defying the protestations of their stooges. They become virtual masters of a country.

One of the devices used by the colonialists is that of aid and assistance. This so called aid by the imperialists is nothing but a method to ensnare the Afro-Asian countries to open their countries to greater and more deadly and ruthless exploitation. As soon as they speak of giving aid they demand in return opportunities for investment. And both aid and investment are used as instruments for exploitation.

With aid comes, in most cases, most humiliating conditions highly paid technicians and expensive machinery which must come from the country giving the aid. This aid entails great loss to the country receiving it, for it has to spend foreign currency on vorable rates for the machinery from the capitalist countries,

With aid comes investment which when established, the monopoly consolidates ties with the imperialists. There foreign investors take on unskilled labour which is very lowly paid. Besides, one of the conditions of investment is the freedom to take out money acquired in the form of profits back to the capitalist countries.

What is worse, the capitalist investor controls the marketing of the products either in exploiting them or running the wholesale distribution and in some cases even the retail business.

The investment by the imperialist capitalists is not intended to assist in developing the country, in which the investment is made but to earn profits. They do not invest in those projects which bring about the social and cultural development of the people but only in those which earn them the maximum benefit

and profits. The aim therefore is not to develop the country and people but to exploit the natural resources of the country and the human resources in the form of cheap labour.

In the final analysis, the result of these actions of the imperialists is to get complete control of the countries which submit themselves to their mercy. In these countries they have the power to make and unmake governments to dictate their wishes to whoever is in power and, if he does not conform, to remove him and put someone who is a more obedient stooge. They make the majority of people labourers whom they pay uneconomically low wages and when these protest the exploiters use their money to suppress them. What is more they make the whole country stagnant and the people do not see the fruits of their political independence. Thus neo-colonialist economic oppression not only makes political independence meaningless but stagnates the economy of a country and divides a people by creating a bourgeois class which is made to live an artificial life of luxury and is hostile and despises the poverty stricken majority of the masses. This creates a sense of despair in the masses and many of them with no better hope for the future resort to crime and other immoral practices which are injurious to the dignity of their country. On seeing the evil which they themselves created, the imperialists turn round and say "Did we not say so, these people are the most primitive and backward and are incapable of governing themselves."

Comrades of Afro-Asian countries, this is the situation that faces us today, in this modern age of great scientific and technological achievements. It is a situation which is none of our making but has been forced upon us. Yet many of us are guilty of its creation because we have been in many cases deceived and allowed it to happen. Often division and suspicion of one another has prevented us from taking action to stop these dirty manoeuvres of the imperialists and going to one another's aid or assisting each other. We should call an end to anything that divides us and stand shoulder to shoulder to face our enemies and come all out to assist one another in the establishment and building of independent national economies.

We stand at the crossroads, and have to make a choice either to submit to allow some of our brothers to suffer misery, exploitation and oppression caused by the imperialists or to come all out and organise the masses to build our countries relying mostly on our own efforts and depending largely on our own resources and assistance from one another.

The Afro-Asian countries are now in the second stage of our struggle. It is a struggle for our economic independence in order to give a real meaning to our political independence by creating a fuller and happier life for our people and prosperity for our countries. Just as we assisted and are still assisting one another in the struggle for political freedom, we should also do so to a larger measure in assisting one another in this gigantic struggle for independent national economy. Politics is inseparable from economics and the economic struggle will also take various forms some of which will be extremely bitter. Whatever it might be unity of purpose and action will help us to withstand the onslaught of the imperialist and deliver blow for blow until final victory which must be achieved will be achieved. Of course the greater burden of this struggle will lie more heavily on those comrades who have achieved a greater measure of independent national economy and have already mapped out and planned their road to nation building.

The ferocity of imperialist plunder and machinations will fall heavily upon us but we should all be prepared in all ways to face it. We should be fully conscious that economic control is the last hope the imperialist have in subjugating us and they will not easily surrender to our justifiable determination to break ourselves free from their grip, but this we must force them to do if we are to survive in dignity and real national independence.

The imperialists often pose as friends and pretend to advise and warn some of the Afro-Asian countries against imaginary enemies. They often say "The devil you know is better than the angel you do not know." By which they mean that it is better to deal with them because of colonial associations than to deal with the true friends who come forward to assist. They pretend to warn some of the Afro-Asian countries that they should

beware of the Chinese comrades because these also aim at colonising them. They also always say and are supported by the intellectual imperialist stooges, "Have you pushed out the British or Americans, only to bring in the Chinese." These tactics of the imperialists should be rebuffed as soon as they are heard, to listen to them is only to invite suspicion of ourselves, to act on them will only mean splitting our forces and giving the imperialists an opportunity to destroy us and to destroy the hope we have for a better, happier and more prosperous future for our countries. It is a pity that some of our comrades have listened to these imperialist lies and the result has been that they are in the most deplorable condition and imperialists are the virtual masters of their countries in all spheres and the imperialists are in such a control that there seems to be no chance of their ever succeeding in getting rid of them.

Great possibilities exist for building independent national economies in the Afro-Asian countries. Our countries have got adequate and in some cases plentiful or even surplus raw materials which are at the moment, because of poverty and ignorance in science and technology are exploited by others. It is not only possible to embark wholeheartedly on independent economic construction but we must do so if we are to save our countries from the wrath of the imperialists and stand on equal footing with them in deciding international issues. At the moment because they are in a better economic position than we are they claim to decide our destiny and in matters of great importance that concern us we are not even consulted. Independent national economies will help us to work out our own priorities in development and not like the imperialist exploiters develop only those sectors that are most financially profitable.

Self-reliance on the long road of building an independent national economy is the best policy. In some of our countries an economic structure of some sort exists but in most of those areas such a structure needs much overhauling and re-organisation. Re-organisation is the primary approach that is needed and which calls forth immediate and drastic action. Whatever the imperialists might claim to have established as a structure, this can in no way serve as a foundation on which we should concentrate attention in carrying our further construction.

In our efforts in the future many of the imperialist economic theories must be discarded and new ones in keeping with the people's aspirations adopted. There should be a reappraisal of land, labour and capital as conceived by the imperialists in relation to production. The imperialists invest only in that project which brings maximum profit in terms of money, whereas investment in our countries should be in those projects which bring maximum good to the country. The imperialists consider human labour as a commodity which can be used and misused and if not needed discarded, but as for us we should value human labour and find ways and means of bettering the worker in the course of production. The system of competition as conceived by the imperialist is not only wasteful to resources and causes unnecessary conflict but serves no purpose in diversifying the economic production within a country.

The spirit of Chullima (flying horse) which has evolved in Korea and is guiding the people to greater achievements is a good example to many of us in the Afro-Asian countries and it would do many of us much good to adopt a similar spirit in the drive for building an independent national economy. Such a spirit of drive is necessary as it is beneficial to raise the people's consciousness of a cause, only then can they understand what is said and they in turn give full co-operation in carrying out the tasks that might be entrusted to them.

The primary duty where it is practical is the organisation of economic associations and chambers within the Afro-Asian countries. In order to carry out effective co-operation it is these associations which should be in very close touch and dealing with similar economic association and chambers in other Afro-Asian countries. There is no doubt that the imperialist will oppose tooth and nail such associations and in most cases sponsor rival ones, but this should not in any way deter us. It will be easy for the people to select between the truly national association which they are most certain to support and the imperialist sponsored one which they will reject.

The creation of national economic associations will in itself not be sufficient. These will only be kept running with co-operation from Afro-Asian countries firstly in providing goods

for trade at competitive prices with those produced in capitalist countries. This will make the people in our countries prefer to purchase those produced by the brother countries. And secondly in exchanging experience and techniques of running the association is order to ensure that ours are run more efficiently than those of the imperialists and are more economical and more beneficial both to the country as a whole and to the people at large.

Comrades, the greatest difficulties that face us especially we of the African countries is one of industry and more specially the heavy industries, such as steel which are the backbone of the economic structure of any country. It is because of this lack that the imperialists lure the African countries to economic doom by making false promises and giving deceitful assurances. The imperialists know very well that the development of heavy industries in the Afro-Asian countries will sound a death blow to their economic imperialism because this would not only close their markets for cheap raw materials but would also close their expensive markets for finished products and machinery. Imperialists do not for a moment believe in balanced trade with the Afro-Asian countries or fair exchange, but they believe that they should always be on the winning or heavier side of unbalanced trade. If imperialists were honest they should have encouraged and helped in the setting up of such heavy industries with the aim of carrying out different production and then carry out a fair exchange, but this never occurs to them because they are there to exploit us and to rob our countries to the point of starvation.

It therefore befalls us to help one another to set up heavy and machine industries. This will of course mean more contribution and even greater sacrifice on the part of those comrades who have already established such industries. But it is their duty as comrades to give a hand to those who have none. This will in the long run be beneficial to the countries assisting and those being assisted for the Afro-Asian countries will have many varieties of goods with which to trade with one another.

Self-reliance is no doubt a praiseworthy principle and which must be followed in all earnest. There is however a time when there is a limit to self reliance and at such a juncture the Afro-Asian countries should be fully prepared to come to the



assistance of one another by giving a hand or advice. Self-reliance should be the primary approach and when avenues of this self-reliance are exhausted only then can one call for assistance. It will have great benefit in that each of the Afro-Asian Countries will be concentrating on certain fields of production through its own efforts and the result of the self-reliance effort in each country will total up to the great progress of our countries. Self-reliance will confuse and confound the imperialists because they will not then have the usual excuse of interfering in the affairs of our countries in conjunction with their lackeys on the pretext that such and such a country is helping another country.

Our countries through our peoples' efforts must demonstrate to the imperialists that we can not only survive but also achieve prosperity without their mercy and so called aid and investment. We must stimulate the imagination of our peoples to the evolving of new techniques of production and to create a sense of security among them by our close co-operation and collaboration. Only then can we force the imperialists on to a retreat and keep them fleeing. In the search for a better life for our countries there can be no question of compromising with imperialism. We have to treat them as they treat us and if they cannot treat us as equals we must do without them and forge ahead on our own initiative and in co-operation with one another.

It is often noted with much regret that within our countries some of our people are seen to take pride in using a British, French or American article and to despise those made within the Afro-Asian countries. It is even often true that in such a country there is no manufacture of such an article and there is even no hope of its manufacture in the foreseeable future. We should all be proud of the result of each others' efforts and use an article from within our countries which is even of less quality in order to encourage greater and better production, than to use one from the capitalist countries which is a result of exploitation and thus contribute to more exploitation. By using such products we shall not only be providing markets for our own goods but shall be encouraging ourselves to improve the quality. It is also much

better to establish our own factories and get commodities of lower quality with the hope of improving as we gain experience, than to continue buying everything from imperialist countries and neither gain in experience nor enjoy the pride of seeing the practical result of our labour.

We must all determine to implement this dual approach, that is to purchase only those goods available and produced within the Afro - Asian countries and to endeavour as much as possible through our own efforts to set up our own industries whatever quality of goods we produce. In short the Afro - Asian countries should form themselves into a close and well knit economic unit and economic associations as marketing each others products and in establishing industries for a variety of products and in order to create employment and technical knowledge among our peoples.

This is an age like any other age of patriotism and great national consciousness. The imperialists dominated us not because we wanted them to but because of their superior arms and because of the division that existed among us and the systems of government within our countries whose rulers often betrayed our countries to the imperialist intruders. None of us should be deceived and lured to acquire the mentality of the imperialists of taking undue advantage of others who are less developed. Rather in every step we take it should be strictly on the level of equality and should be aimed and viewed in the spirit of co-operation. And the project should bring about mutual benefit, but not benefit to one at the expense of the other. It is only with this as a basis that our co-operation and assistance of one another will withstand the intrigues of the imperialists and create a solid foundation for close co-operation of our future generations. Such an approach will create a sense of confidence among ourselves and will urge us to open our hearts to one another in expressing problems and offering advice which will be accepted in good faith. Imperialism has taught us a bitter but good lesson. The imperialist lesson of intrigue, the backdoor policy and the big stick diplomacy should not only be guarded against in our future dealings with imperialism but we too in our dealings with one another should not degenerate into adopting them no matter how attractive they

might appear. These imperialist conceptions are instruments of self destruction and bad relationship. They can be only maintained by force, but we reject them as we reject imperialism because we believe in co-operation among ourselves and are also convinced in talking to the imperialist the language he understands and dealing with him as he deals with us, a blow for a blow and a kick for a kick.

Let us leave this seminar without any doubts. We have here to launch a full fledged economic struggle against imperialism. This war will never stop. It will go on to the future because the frightened imperialists will resort to all sorts of dirty tactics to defeat our determination. In this war we must all see to it that we have helped in establishing a foundation for independent national economic development. Those of us with an independent national economic development should consider it a duty to assist those areas where such a foundation does not exist in co-operating to launch it. Time for mere talking is long past, the imperialist will only rejoice if we merely meet and talk and do not implement what we have decided.

In this second stage of our struggle unity of purpose and action should be our slogan as it has always been in the past. Closer and closer co-operation should be our approach if we are to solve the enormous problems of poverty, ignorance and disease that face our countries. These must be solved and in the course of solving them we shall be defeating imperialism and what it stands for. Our solidarity will only be valuable and be a pride to our peoples if we co-operate in bringing an end to these enemies.

Comrades permit me to stop here. I wish to assure you that I shall consider it my duty like any of you to see to it that the results of our deliberations during this conference are given a practical form and to pass on the information to my comrades at home and to all the people of Uganda. May I wish whole heartedly that our conference be successful and that the result of our discussion will be beneficial to our people and the future of our countries and a defeat for imperialism and its lackeys.

May I thank you 'chairman' for the untiring efforts together with your secretariat in organizing this conference and making it possible for us people of Africa and Asia to come together at this historic congregation and conference in order to exchange our experience and to seek ways and means of solving our problems and facing our enemies unitedly and with determination.

I again wish to express my heartfelt thanks to the Korean people and the Korean Committee for making this conference possible and for taking such comradly and kind care of us and to wish this country greater successes in its future national reconstruction and in the liberation of the southern part now under imperialist control.



## M. FRANCOIS (Congo Brazzaville)

The right to independence is an inalienable right, The assimilatory policy of France proclaimed in the Constitution of 1956; which provides for the self-determination of our countries only within the "framework of the French Empire," has gone bankrupt because by self-determination of nations one understands their separation as States from the groups of foreign countries; that means the formation of independent national states. The colonialists camouflage this assimilatory policy under the fraudulent form of political independence which, as Lenin said, gives rise to the "necessity of explaining and denouncing untiringly to the large toiling masses of the rising countries the duplicities systematically practised by the imperialist powers that, under the cover of creating politically independent states, create in fact states totally dependent to them in the economic, financial and military domains." With the national liberation struggle mounting, the imperialists, not to lose the goose that lays the golden eggs - their spheres of influence - have been obliged to establish new methods: the classical colonialist methods, direct economic and political grip, brutal military repression, etc, have given place to the neo-colonialist methods.

The neo - colonialist methods consist of strengthening control by capitalist firms, doubling the police and military apparatus which ensures the protection of the stooges of imperialism, and of intensifying the exploitation of the people who are engaged in national liberation struggles.

Although most of the underdeveloped countries and regions became politically independent after the war, their economy is always in the hands of foreign monopolies, and the imperialists try to strengthen their control by all means.

In order to maintain their traditional sphere of influence (Philippines, Latin America) and extend it to new regions, the United States resorts mainly to the following means: creation of blocs, installation of military bases, dispatch of the "Peace Corps" and tremendous export of capital.

As to France, she tries to stabilise the franc zone by close co-operation with the upper crust of the local bourgeoisie in the framework of the French-African community and by tremendous export of capital.

The customs regulation of the United States. "the system of the Common Market countries" of France and "the imperial preferential system" of Great Britain pretend in appearance to wish to secure markets for the products of the underdeveloped countries in their sphere of influence, but it is always the colonialists who hold plantations, mines and oil fields of former colonies, which are remunerative.

These systems make our countries always remain suppliers of raw material.

Let me cite a few figures by way of illustration.

Between 1958 and 1960 the United States sent home around 1,500 million dollars as dividends of private investments while their direct investments including investments of profits were only 770 million dollars in these regions.

In 1959 the CFAO and the BAO avowedly gained profits of 253 million and 71 million dollars respectively.

But real profits, confidential to a few managers of the company, were at least as high as six times the announced figures, according to experts on this question.

According to the indices shown by the "Financial Times" the price of raw material remained as it was at the end of 1952, while in the same period the world industrial products exported by the capitalist countries increased by 10 per cent. And all the plans of aid and assistance proposed by the West are nothing but neo-colonialist enterprises.

Helmut Allart who was general director of the overseas section of the Common Market frankly announced the objective of the aid to the less developed independent countries:

"If we aid, it is not out of altruism, but in our own interest. Any definition of this aid describing it as a moral obligation or a simple gift is dishonesty." (Die West-Hamburg 30 Sept. 1959)

We have seen very widely the economic aspects of the neo-colonialist sphere as a whole; let's limit this sphere to examine here the case of an under-developed and neo-colonised country: the Congo-Brazzaville.

The forces that form obstacles to our independence are represented by internal colonialism, the Congolese bourgeoisie being its appendage. From the scientific and economic viewpoint we cannot help regarding big foreign monopolies, which have in the Congo the decisive means of production at their disposal, not only as an outside force, but also as an inside one. As is the case with the majority of the former colonies, in the Congo there exists side by side with the national bourgeoisie a fraction of the bourgeoisie, which is imperialist by its foreign nature, by its origin. The forces of "internal colonialism" are responsible for the breaking up of the anti-imperialist united front. Foreign monopolies such as SPAEF, SIAN, UNELCO, BRALIMA, SAFEL, SAPAC, PARARIB are making war with the working people under the banner of reaction and despotism. Moreover, the commercialisation of agricultural produce in the Congo are in the hands of the representatives of internal colonialism.

Some figures given below show eloquently that the Congolese economy is entirely left in the hands of the foreign monopolies.

1. The formerly French-owned Mining Company of the Congo produced in 1959: 9,000 tons of ceresine concentrates containing about 56 per cent of lead metal. The production of tin increased to 44 tons of cassiterite containing 75 per cent of tin metal in 1959.
2. The SPAEF has undertaken the construction of a terminal storage with a capacity of 25,000 cubic metres.
3. The UNELCO has monopolised electric power; the central power station of Djoue has the capacity of 28,000 kw.
4. The SIAN controls the sugar market: 10,170 tons of sugar was refined in 1959; the oil refinery of the SIAN produces the oil of Ongokea which grows only in the Congoless

basin and which is very much valued as varnish and for use in the mold of the furnaces. The SIAN has more than 10,000 workers in its service.

5. The BRALIMA which belongs to the Belgian group "Brasseries, Limonaderies and Mabteries" has invested, in the years 1958-1959, more than 60 million CFA francs.
6. In 1959 the SAFEL and the Ranch de M,Passa had 9,000 head of cattle.
7. The SAPAC controls the fishing industry; its packing can produce one million cans of preserved herring and two million cans of preserved tuna each year.
8. The rubber processing installation produced enough to export 89,000 tons of rubber in 1958; and the rubber industry is monopolised by the company BUNGE.
9. The palmistes and palm oil which occupy the second place in value in the exports of the Congo (the palmistes—7,116 tons; palm oil—2,837 tons in 1958) are controlled by the CFHBC (the French Company of High and Low Congo).
10. In view of the imperialist annexation of the Congolese economy there is nothing surprising that out of the Budget of 8 milliard CAF francs, 50 per cent came from the taxes imposed on the finished industrial goods which were imported.

To build up and develop a self-supported national economy, to let the backward countries out of the vicious circle which the imperialists try to maintain, to restore the equilibrium among various nations and social strata, to counteract the manoeuvres of the imperialists and bourgeoisie to trample down the majority of the people for the sake of the capitalists who are but a minority, it is important and necessary to choose a non-capitalist way of economic development because we believe this is the only way of making the backward countries develop a really self-reliant economy which is capable of meeting the national demand. By the non-capitalist way of development alone can the backward countries mobilize all the national resources and energy for the benefit of the nation and build the foundation of a self-supporting national economy. To illustrate what has been said, let us take the example of two big countries, China and India. the former for the non-capitalist way and the latter for the capitalist



way of development. China has succeeded in building up a self-supported many-sided economy, but India is still floundering in its first five-year plan and depends more and more upon imperialism. Therefore, you have the full right to admit that a country can pretend itself to be sovereign, only when it has succeeded in getting rid of the economical domination of the imperialists and in building a self-reliant national economy. That is why, in our time of accelerated social development, the masses of the people, having started to move, cannot stop the anti-colonialist and democratic revolution until it is accomplished.

The movement of the majority of the population in the world is at first directed towards the struggle for national liberation, but then against imperialism. It is for this reason that our country, the Congo-Brazzaville, cannot escape the logic of Revolution of national liberation. She is in such a situation as that these tasks cannot be carried out unless deep-going transformations are made, which are of anti-imperialist nature.

Our country is in possession of important resources of raw materials; therefore she has favourable conditions for the building of an independent national economy, should the principle of self-reliance be applied for this. Indeed, we consider that countries which build up themselves must rely first of all upon the effort of their own masses, and not concentrate their efforts upon foreign aid. Without denying its importance we must consider this aid to be an additional portion, completing the efforts already begun by ourselves. As for the foreign aid we cannot but blame the attitude of certain countries which use it as a means of pressure and of interference in the affairs of those countries which get it.

If the Asian, African and Latin American countries wish to fight against the economic domination of the imperialists and to build independent national economy, they will have to strengthen their ties of economic cooperation on the basis of equality and of reciprocal advantages,

This objective can be attained only when an organism of economic cooperation of Asia, Africa and Latin America is established.

## REWI ALLEY (New Zealand)

I would like to comment on the valuable report made by the Korean delegation this morning. It is a comprehensive one with which I am in hearty agreement. It has a point in common with that of the Vietnamese statement also of today. One common also with all countries of the world threatened by the chief enemy of mankind, U. S. imperialism. It is hard to talk of economic cooperation in either South Korea or South Vietnam, for instance. These two areas are those in which the chief enemy has made a mockery of treaties, of the UNO which it has prostituted, of human decency, and of life itself. The example of these two onslaughts on the freedom of peoples to progress as they wish, is one that should be heeded by mankind as a whole. The struggle for economic independence can only be completely successful when imperialism finally comes to learn that an ounce of goodwill is better than a ton of atomic bombs. That a child being burnt to death at this very moment in Vietnam jungles is of equal value to the child of the leader of the richest country in the world.

Surely, every effort to gain a working economic independence must be steadfastly promoted, as has been so brilliantly done in the Democratic People's Republic of Korea. Indeed, the waging of such a struggle to promote real independence is a vital one, touching as it does the chief enemy of peace in his most sensitive spot.

One tiny example of the nature of the old system on the economic side may be found on the island of Naru in the South Pacific, the name even of which may be unknown to you. Its rich phosphate deposits will soon have become exhausted. The colonial government proposes to move the inhabitants elsewhere. These however, refuse to leave their homes and land. Billions of pounds of their natural resources have been taken from them to enrich Australian farms. The people are now offered an uninhabited island where struggles will have to be started in a new way, though still under the colonial power, and without equal rights. Australia, the controlling country, however, has already 56% of its industry under U. S. ownership, and itself is fast becoming an integral part of the U. S. net for world domination. A domination whose ultimate evil is not yet fully recognised by those who obediently chant peaceful transition, and active cooperation with its insatiable greed.

## TELLO NKHEREANYE (Basutoland)

I bring you greetings from the Basutoland Congress Party on whose behalf I have been able to be represented here. I would like to make a few comments on the very brilliant and lucid speech made by the Korean delegation. And in doing so, I would like to make a very brief analysis of the question involved.

Perhaps the most profound experience of our times is the common aspirations of the peoples of Asia, Africa and Latin America to construct their economic, social and cultural way of life.

Indeed, this desire for progress has in a sense become the most vital problem of present-day world's economics and politics.

It has become to be generally acknowledged by the entire section of mankind that the continued deepening of crevices between the highly advanced and the so-called underdeveloped countries of the world explodes with dangers that might well be catastrophic for the whole world.

The question of promoting economic development of Africa, Asia and Latin America has become indeed a world problem.

The basic cause of this economic backwardness in the areas I just mentioned lies obviously in the long standing colonial and neo-colonial pillage, outrageous plunder and exploitation of Africa, Asia and Latin America.

The solution of the problem, as one sees it, can only be solved in the following ways which have more or less been mentioned by the Korean delegation.

First, total elimination of colonialism, neo-colonialism and imperialism led by the U. S. A. and elimination of national Gurukhaki capitalism as well.

Second, embarking on the socialist planned economy by the peoples of Africa, Asia and Latin America. For the establishment of a socialist planned economy is an essential and indispensable condition for the attainment of national and economic social progress and independence in these exploited areas.

And third, determining at the very outset what social forces lead the peoples in the countries concerned.

Any approach which might be sought outside this context however beautifully it might be carved in academic sociologies will certainly not strike the nail on the head.

The Basutoland Congress Party on whose behalf I am privileged to attend this august conference hold the above - mentioned to be self - evident.

In its IIth annual conference the Congress Party resolved, and I quote:

"A. The conference ascribes the present state ~~of~~ economic backwardness, stagnation and poverty in Africa to colonial rule, pillage and exploitation.

B. The economic apathy in Basutoland is due to lack of planning which could direct the growth and transformation of the national economy to increase productive forces which would improve the material and cultural life of the people".

Elimination of colonialism, neo - colonialism and imperialism becomes an imperative prerequisite for the establishment of national independence of the under - developed countries. For, the big businesses of foreign countries and enterprises by by their corruption do not only hamper political independence but economic development as well.

The economic history of western imperialism has especially through the western orientated theory of international trade turned underdeveloped countries of Africa, Asia and Latin America into an indispensably exploitable hinterland for the highly developed capitalist world.

Accustomed to the traditionally cheap supplies of important raw materials from the under – developed countries the advanced countries of the West have come to view economic development in the underdeveloped countries as profoundly inimical in terms of their dominant capitalist interest.

In its resistance to economic and social development in colonial and dependent territories, imperialism becomes more desperate. The popular aspirations to national and social liberation assume a revolutionary tone.

Under such circumstances the resistance of imperialism hardens and forms a kind of united action against the independent development of under – developed countries, comprising an entire gamut of political and ideological strategems.

Furthermore, in its more sophisticated new colonialist mode, imperialism employs even the more open method of bribing the peoples of the underdeveloped countries to refrain from undertaking far – reaching economic and social transformation that might render capitalist mode of life wholly unacceptable and ineffective.

However, the logic of economic development in the context of under – developed countries is such that it renders thorough and gradual development an extremely impossible proposition.

The fantastic achievement attained through socialist planned development cannot be questioned.

While these achievements have certainly resulted in pains, yet their ability in what we always regarded as backward countries to attain a fairly high standard of industrialization makes the problems of pains almost insignificant.

And after all, capitalism was not attained without severe pains, especially by those victims of exploitation and pillage in Africa, Asia and Latin America,

What is more, experience shows that the very nature of imperialism is inimical to the development of capitalism in the less – developed areas.

What is more significant in under - developed countries is the absence of social conditions sufficient enough to permit private accumulation of capital to take place, especially the lack of proper incentives to allow large - scale productive investment.

In addition, the record of colonial exploitation and other forms of foreign economic dependence have had such adverse effect that it is impossible ever to hope that spontaneous development can make headway.

Thus, the free market system expressed the very nature of underdevelopment in these areas.

Hence any break - through of the weak economic and social structure in underdeveloped countries has to be shouldered by the state through a policy of planned economic development.

The basic problem of carving out planned economic development is the accumulation of capital resources, especially internal.

However, experience in most less - developed countries shows that one of the main problems in ensuring capital accumulation is the flagrant limitation of consumption among unproductive middle and upper classes as well as the surplus appropriated by foreign capital of colonial administration.

For instance, the middle class in some under - developed countries compares favourably in living standard with the middle class in the United States.

As regards the expatriate administrators in underdeveloped countries or colonial countries the 1961 Economic Commission for Africa Survey Bulletin has this to review. And I quote:

"For example in the Congo (Leopoldville) it is estimated for 1957 that the average salary of an European in the economy was 30 times the average salary of an African, 20 times in the Federation of Rhodesia and Nyasaland. Then in 1956, 39,000 Africans accounted for the total wage bill of 3.42 million while

9,780 Europeans accounted for the wage bill of 9.24 million. The average salary of an European in the economy as a whole was £ 1,084 per annum, as against £ 68 for an Africa.

Economic development of in the context of under – developed countries implies, then, not only technological revolution but far – reaching social and cultural transformations as well.

For us planning thus becomes a complex sociological task of making our peoples, as it were, walk from the primitive backward way of life to the 20th century.

An enemy of economic development in under – developed countries is also the deterioration of the terms of trade.

The fall of export prices of major primary goods from underdeveloped areas often renders foreign aid from the Western countries insignificant,

While foreign aid is highly important in helping underdeveloped countries, yet exacting imperialist investment makes building of a socialist planned economy an impossible task.

Those who quarrel with underdeveloped countries for failing to create a good climate for private investment are in fact direct agents of imperialism. For what they in fact mean is that investment will go where profits are highest and that there would be more outflow rather than inflow of capital. And as Anglesortvild asserts:

“No large – scale programme of help to underdeveloped countries capable of making any effect on the problem of world poverty could possibly be financed on commercial terms.”

Finally, we come to the contention that it is also the kind of social forces leading the country that will ensure a progressive independent socialist planned economy, especially in effecting a democratic agrarian reform. This is somewhat treading in the field of a political scientist which I am not.

But the experience in some countries, such as China, shows that a close section of all progressive social elements based on the democratic collective leadership can present an anti – imperialist front and thus ensure the path to socialist planned development as well as independence of the national economy.

## RI SUK SIM

*Deputy-leader of the Korean Delegation*

In connection with the report on the first item on the agenda, I am going to deal with a few questions relating to the construction of an independent national economy in the Democratic People's Republic of Korea.

It is a matter of vital concern for the peoples of Asia and Africa, who are striving today to build a new life under the banner of sovereignty and independence, if they can build a self supporting national economy within a brief span of time, relying on their own efforts.

With regard to this question, I think, we can give an affirmative answer with confidence on the basis of our own practical experiences.

For nearly half a century our country remained, against its will, a colonial, semi-feudal country under the Japanese imperialist rule. At the time of liberation our people took over an extremely backward, crippled economy and they found themselves far behind others in technology and civilization. What is more, the one-sidedness of the country's economy was further accentuated owing to the division of our territory following the occupation of South Korea by U. S. imperialism.

In the pre-liberation days, in our country there were only a few economic branches producing certain raw materials and semi-finished goods for the Japanese imperialists and practically no branches of processing industry including the machine-building industry.

Our country could not properly turn out even machine parts; it was dependent on import for such trifling daily necessities as needles and pencils.

In 1944, the pre-liberation year, the light industry in North Korea turned out only 1.3 million odd metres of cloth,

Grain production acquired a great preponderance in the North, and yet its output fell far below the demand of the people for food,



Following the liberation, our people achieved a definite result in the rehabilitation and construction of industry the Japanese imperialists had wrecked at the time of their surrender, and in the development of agriculture.

However, owing to the severe three-year war imposed on us by U. S. imperialism and its lackeys, our national economy once again experienced heavy destruction.

In the course of the war the U.S. imperialist aggressors razed to the ground 8,700 and more production buildings and facilities.

Production facilities of power, coal, metallurgical, chemical and other major industries were completely destroyed and the railway transport and rural economy, too, suffered enormous damage.

Not only factories and mills but also almost all dwelling houses and cultural and public health service establishments in all parts of the country were destroyed or reduced to ashes. The U.S. imperialists totally wrecked during the war, houses with a gross floor space of 28 million square metres, over 5,000 school buildings, and 1,000 odd hospitals and clinics.

Indescribably hard was the economic situation in our country immediately following the armistice. We could not turn out even one ton of cement, one kilogramme of steel, and we felt an acute shortage of food and clothes. The situation in those days was so distressful that we were in utter confusion not knowing what to start and how.

It was at this hour that Premier Kim Il Sung put forth the task of energetically pushing ahead the construction of an independent national economy under the banner of self-reliance. Needless to say, it was a herculean task to set about building an independent national economy under the conditions of utter devastation of the country. Nonetheless, this was the only way of rehabilitating and constructing the ravaged national economy and radically improving the people's living, and leading our revolution to the final victory. In view of this, our people set

about laying the foundations for an independent economy from the first day of rehabilitation and construction of the post-war national economy, surmounting all difficulties and obstacles.

In fulfilling the three-year plan of 1954-1956 for the rehabilitation and construction of the national economy, our people had to wage an arduous struggle for overcoming the shortages of material, equipment and labour.

Our people began with collecting, one by one, bricks and scraps of iron and debris and, even under the conditions in which life was so difficult, they secured funds for economic construction, tightening the belt and saving pennies.

In the first days after the war, our country received aid from the socialist countries, which made a certain contribution to our economic construction. But at that time too, our people, decisively rejecting the idea of relying on outside aid only, have laid the foundation stones for an independent national economy one by one, relying mainly on their own efforts and domestic resources. The rehabilitation and construction of industry our people undertook step by step in such difficult conditions gradually augmented the source of accumulation and made it possible to steadily increase the investments in capital construction with their own strength.

Thanks to the devoted labour of our people, the Three Year Plan was successfully carried out, and in our country the foundations for an independent national economy were built in the main.

Our people also had to overcome great difficulties in carrying out the Five-Year Plan of 1957-1961, whose central task it was to firmly lay the foundations for industrialization and solve basically the problem of food, clothing and housing for the people.

Particularly, in the early days of the fulfilment of the Five Year Plan, the shortage of funds and materials presented itself as a most acute problem in the economic construction of our country. At that time, more and more funds, materials and equipment were needed for accelerating the technical reconstruction of the national economy. But our national economy then was not in a position to fully meet such urgent demands.

It was around that time that the Party and government leaders personally visited factories to explain to the working people the country's situation in detail, thereby calling them to the struggle for overcoming the difficulties facing us. Determined to surmount at any cost all the difficulties with their own strength, our working people, under the slogan of "maximum increased production and maximum economization", made immense progress in production by tapping all reserves and bringing about mass technical innovations. The workers of the Kangsun Steel Works produced 120,000 tons of steel from the blooming mill with a nominal capacity of no more than 60,000 tons, while the workers of the Kimchaik Iron Works produced 270,000 tons, of pig iron from the furnace which, people said, could not produce even 190,000 tons.

As a result of the great upsurge of labour struggle of our people, the Five-Year Plan was considerably overfulfilled in four years. The fulfilment of the Five-Year Plan turned our country into a socialist industrial-agricultural state with the firm foundation of an independent national economy.

In spite of the fact that a very difficult task of rehabilitating the national economy destroyed twice was carried out, the gross industrial output grew 32 times in 1946-1963 and a great stride forward was made in the realization of the industrialization of the country. Today our country is in a position to supply smoothly for ourselves machines and equipment, raw materials, fuel, electricity, etc., necessary for the development of the national economy. The self-supplying rate of machines and equipment reaches 92 per cent in our country.

Our light industry is now able to produce with our own strength consumption goods and daily necessities needed for the people's living.

In 1963, our agriculture produced twice as much grain as that in the pre-liberation days. Our country has already attained self-sufficiency with regard to food, and has laid the foundation for further developing all branches of the rural economy.

With the rapid development of the national economy, the material and cultural life of our people has also been stabilized and improved in a short space of time, enabling us to solve the problems of food, clothing, and housing in the main for the first time in the history of our country. Today our people are enjoying a happy life without any worries about their life and in the near future their living will be more bountiful.

Our people are now working hard to fulfil the 1961-1967 Seven-Year Plan. During the Seven-Year Plan period technical and cultural revolutions will be carried out in our country, thereby turning our country into a modern industrial state. During the same period the task of establishing the structure of an independent economy will be carried through, while putting flesh on the skeleton of the existing national economy.

In order to accomplish all-round technical reconstruction of the national economy, our people will continually have to overcome numerous difficulties.

However, our people will surely accomplish the historic task of building a prosperous, modern industrial state relying on the economic foundation already laid and holding aloft the banner of self-reliance as in the past. These achievements in the construction of an independent national economy have been possible thanks to the Workers' Party of Korea and the Government of the Democratic People's Republic of Korea which carried out the correct economic policy and ably organized and mobilized the creative energy of the popular masses relying on the advanced social system established in our country.

The most important thing in relying on one's own efforts and building an independent national economy is to mobilise to a maximum the resources of one's own country and the strength of one's own people and, in particular, to raise the enthusiasm of the popular masses and bring into full play their creative energy.

The solution of this task is impossible apart from thoroughly eliminating the aftermath of foreign imperialist aggression and subjugation of every kind and freeing the working people from the social fetters and oppression.

In our country the tasks of the anti-imperialist, anti-feudal democratic revolution were carried out thoroughly in a brief space of time after the country's liberation. This provided us with favourable conditions for the development of the country's productive forces.

The land reform effected most thoroughly in our country set free the agricultural productive forces from the old feudal fetters and enhanced the labour enthusiasm of the peasants greatly. That the land reform gave an impetus to the development of the agricultural, productive forces can be explained also by the high-rate development of agricultural production following the land reform in our country and by the fact that we could overcome an acute shortage of food in a matter of two-three years.

Along with land reform we nationalized factories, mines, railways, transport and banks formerly owned by the imperialists and national traitors.

The nationalization of key industries enabled us to remove the economic foothold of the imperialist aggressive forces once and for all and turn the basic means of production to the entire people, thus making it possible to turn to account the resources of the country for the development of the national economy and promote economic construction in a planned manner. After the accomplishment of the tasks of the anti-imperialist, anti-feudal democratic revolution our country conducted step by step the socialist transformation of production relations, and it was carried out on an extensive scale and came to a victorious conclusion in a brief space of time in the postwar period.

Strictly abiding by the principle of voluntariness and relying on the powerful assistance by the state, we have co-operativized the private peasant economy scattered in a small way into large scale collective economy, and transformed private industry and trade, too, into socialist co-operative economy.

As a result, the exploitation of man has been liquidated for good and the productive forces have been freed completely from the fetters of old relations of production in our country. The allround victory of the socialist system in town and country has

created the basic conditions for bringing the activity and creativeness of the working masses into full play and exploring and utilizing, according to a comprehensive plan, all resources within the country to promote the welfare of the population.

Under the circumstances in which an advanced social system has been establishment of decisive importance in accelerating the economic development is the question of directing economic construction and managing economy by the state.

The correct policy and leadership of the Workers' Party of Korea and the Government of the Republic have given full scope to the superiority of the socialist system and made it possible to gear all the creative initiative and talents of the toiling masses to the building of a new society.

Particularly, the activity and initiative of the masses have been displayed to the full in our country in the course of the implementation of the mass work method known as the Chungsan-ri method.

The essential thing in the Chungsan-ri method is that all the leading cadres go down among the masses; teach and help the masses and organize work in a concrete manner for them. The Chungsan-ri method calls for the leading cadres to give precedence to politics in all work and rely on the conscious enthusiasm of the masses in solving problems arising in solving problems in practice.

As a result of the application of this popular method of work in a fuller measure, the guiding level of the cadres has been enhanced, decisive improvements have been effected in the work of the Party and government bodies, and a possibility has arisen for tapping and utilizing all the reserves and potentialities latent in our economy.

The Chullima movement which has promoted socialist construction in our country at an unparalleled rate was born out of the great socio-economic changes effected in the postwar years, and has been developed under the correct leadership of our Party and Government.

The Chullima movement is an innovation movement of the masses which gives expression to the desire of our working people who have been emancipated from all sorts of slavery and exploitation, have become masters of state power and all the material wealth of the country and have been rallied closely around the Party and the Government, a desire to build a new society at a faster rate by their own efforts. By vigorously unfolding the Chullima movement, our people have become able to pull through all the difficulties with courage and further accelerate the building of an independent national economy.

One of the most important questions in building an independent national economy is how to co-ordinate the development of heavy and light industries and agriculture, key branches of the national economy, and what sequence should be given to their development.

To build in the postwar period the foundations for an independent national economy, stabilize and improve the deteriorated livelihood of the people in a short space of time on the initiative of Premier Kim Il Sung, the line of priority growth of heavy industry with simultaneous development of light industry and agriculture has been carried out.

This line has proved the most effective way of building an independent national economy under the prevailing conditions of our country.

In the postwar years, we had to rehabilitate the war-ravaged national economy, build the foundations for an independent economy and, at the same time stabilize and improve the deteriorated livelihood of the impoverished people in a short space of time.

The line of priority growth of heavy industry with simultaneous development of light industry and agriculture alone made it possible for us successfully to solve all these pressing tasks simultaneously.

Even after the postwar rehabilitation work was completed, we held to this line, which enabled us to ensure the proportionate development of industry and agriculture, rapidly effecting

the industrialization of the country, and steadily improve the living standards of the people, while giving precedence to accumulation and productive construction.

Heavy industry is the foundation for the development of the national economy, Without building a powerful heavy industry it is impossible to equip the national economy with modern technique, nor is it possible to consolidate the foundations for an independent economy of the country.

Our people bent all their efforts in building a firm independent heavy industry capable of satisfying in the main the needs of the development of the national economy for various sorts of means of production needed for the development of the national economy.

Formerly our country had only those branches which turned out raw materials and semi-finished goods and even those branches were dilapidated in the war. In addition, there was a shortage of materials and funds. Under the conditions obtaining in our country, it was an extremely difficult task to create a heavy industry of our own.

Such being the situation, we adopted the policy of gradually developing heavy industry, preferentially rehabilitating and building such branches as would require as little funds as possible and could effectively serve the purpose of developing light industry and agriculture and improving the people's livelihood.

Thus, in the rehabilitation and development of heavy industry we concentrated on such heavy industry branches as were closely associated with the solution of the question of meeting the requirements of the people for food, clothing and housing, chemical fertilizers, farm machines and irrigation equipment essential for agricultural production; textile machines, food-processing machines, vessels and fishing implements indispensable to the development of light industry; structural steel and other building materials needed in housing construction.

This enabled us to lay in the main the foundations for heavy industry and, at the same time, rapidly improve the livelihood of the people.



In the course of developing heavy industry the inner accumulation of industry augmented and techniques developed, which gradually made it possible to build big factories and create new branches of industry.

In developing heavy industry we devoted special attention to the expansion of the machine-building industry, the core of heavy industry. There were people who maintained that our country would be better to confine itself to the extraction industries and had no need of developing the machine-building industry in which we had no traditions. And other people asserted that such things as tractors and lorries would cost us much to build and their manufacture would not pay so long as they were not turned out in tens of thousands annually, and that, therefore, it would be much more profitable to import them from foreign countries.

We rejected such erroneous assertions and developed machine-building industry, overcoming all difficulties.

Under the condition in which we could not buy as much necessary machines as we wanted, we reinforced machine-building factories one by one by replenishing their equipment by ourselves. We had often to set up new production branches, using small-scale repair factories as their foundations. It was in this way that the production of tractors and trucks was first organised.

Our people worked assiduously to acquire modern technique for the development of machine-building industry requiring a high level of technique, and developed a mass drive to shatter mysticism about technique and boldly effect technical innovation.

An industry which is not backed by raw material bases of the country is unstable and it cannot be developed on one's own initiative in accordance with the demand of the country's economic development. Therefore, we directed our efforts to the construction of those production factories which are dependent upon the abundant natural resources and sources of raw materials at home in creating bases of independent heavy industry.

Thus, our country has now laid solid bases of an independent heavy industry which embrace all key branches such as power, coal, metallurgical, chemical, building-material and machine-building industries, are equipped with new techniques and are developing, relying on the abundant natural resources in the country.

Along with the question of establishing bases of a self-supporting heavy industry, the creation of one's own bases of light industry capable of satisfying the demands of the people for consumer goods poses itself as an important task for those countries which have freed themselves from the status of a colony.

In the past light industry was extremely backward and even the traditional handicraft was completely ruined in our country.

Under such conditions, it was by no means an easy task to develop by ourselves the production of consumer goods for meeting the varied demands of the people satisfactorily.

In the postwar period when materials and funds were limited and technique was poor, the construction of large-scale factories equipped with modern technique alone could not ensure the rapid improvement of the people's living.

As a measure for the speedy development of the production of consumer goods we took the line of developing medium and small local factories in parallel with large-scale enterprises, the backbone in the production of light industry, and utilising even handicraft technique in combination with modern technique.

This line of ours made it possible to set up medium and small local factories in a big way in a short span of time, extensively mobilising idle materials and labour in localities without disbursing much state funds, and bring about a radical rise in the production of mass consumption goods.

Today more than 10 local industry factories are to be found in each city and country; and our local industry turns out more than half of the total amount of consumer goods.

According to our experience, it is very rational in the production of consumer goods as a rule, to develop medium and small factories in parallel with large-scale factories. It is because

only by so doing it is possible to effectively developed production in conformity with the characteristic features of light industry which processes various kinds of raw materials in all parts of the country and meets varied demands of the population.

The completion of co-operativization in our countryside has opened up a broad highway for the development of productive forces of agriculture. But, in order to consolidate and develop the co-operative economy and give full play to its superiority, it was necessary to place the rural economy on a new material-technical basis.

Therefore, we lost no time in undertaking technical revolution, while carrying out cooperativization in the countryside.

In implementing the technical revolution in the countryside we gave priority to irrigation, while actively pushing ahead with mechanisation, electrification and chemicalization.

Unlike industry, agriculture depends to a large extent on the natural and geographical conditions, especially to the climatic conditions. Hence, for the laying of a solid foundation of agriculture, it is important above anything else to undertake nature-remaking projects and overcome drought and flood.

Especially, the actual condition of our country, where paddy cultivation holds a big proportion and severe drought and floods occur almost every year, made it a basic guarantee for a high and stable yield and the steady growth of agricultural production to energetically carry out irrigation and river improvement work and afforestation and water conservancy projects. Irrigation in the countryside for which we had exerted great efforts since the early days after liberation and carried out through a country-wide, nation-wide movement in the postwar period, thereby bringing the area under irrigation in our country at present to 800,000 jungbo, or 7 times that of the pre-liberation period. We have carried out irrigation in the main and laid a solid foundation of agricultural production free from any crop failure.

For the rapid mechanization of the rural economy we have striven to steadily the number of big modern machines and, at the same time, effectively mobilise and utilize

animal - drawn machines and medium and small machines. We have also paid attention to the carrying out of mechanization in conformity with the topographical conditions.

With the reinforcement of our own heavy industry bases, the mechanization of the rural economy was successfully pressed ahead in our country. Mass production of tractors and lorries in our country provided us with more tractors and lorries in only three years than the total number of them imported in the past ten years. Today about one tractor is working in each one hundred hectares of our fields. In our country the mechanization of the rural economy has already entered the stage of overall fulfilment.

Electricity has now found its way to 93.3 per cent of the entire villages of our rural areas. The application of chemical fertilizers amounts to 300 kilogrammes per hectare.

In our country the development of the ruraleconomy, especially the implementation of the technical revolution in the countryside, is being pushed ahead with the active aid of the state. Needless to say, as our country was a backward agrarian state and the peasants accounted for more than a half of the population in the past, we could not possibly turn to the countryside for certain amount of funds and labour in the early days in order to create a national industry. But, with the creation of the foundation of industry we took the line of steadily increasing the material - technical assistance of state industry to the rural economy. We did not sell modern machines and technique to the co-operative economy, but constantly strengthened and expanded the farm machine stations: irrigation offices and other state enterprises, thus making modern material and technical means belonging to ownership of the whole people play the leading role in the agricultural production.

In February this year Premier Kim Il Sung in his "Theses on the Socialist Agrarian Question in our Country" outlined the basic principles and measures for finally solving the agrarian question, summing up the experiences gained in building the socialist countryside.

Pointing out that the final solution of the agrarian question calls for the elimination of the differences between town and country, and between the working class and the peasantry, persisting even under the socialist system, the theses outlined the concrete measures for its realization.

Eager to see the final solution of the agrarian question, we are now carrying on the rural work in accordance with the basic principles laid down in the theses.

We are striving to thoroughly carry out in the countryside the technical and cultural revolutions with precedence given to the ideological revolution, and to strengthen in every way support of industry to agriculture and the support of towns to the rural districts. Also measures are being worked out to steadily bring the guidance and management of agriculture closer to the advanced level of industrial enterprise management, strengthen the direct relations of production between industry and agriculture, and to steadily bring co-operative ownership closer to ownership by the whole people.

Today our state is rendering more and more support and assistance to the rural economy relying on the powerful socialist industry.

The Government of the Republic decided of late to emancipate the peasants completely from all sorts of the tax burdens by undertaking in the countryside the construction of all productive facilities and modern houses for the peasants at government expense and abolishing the system of the agricultural tax in kind within the coming 2 - 3 years.

One of the great difficulties our people had to surmount in building an independent national economy was the acute dearth of national technical cadres.

To overcome the dearth of the national technical cadres, our country has extensively unfolded the work of training national technical personnel *en masse* while rapidly raising the technical and cultural levels of the working people as a whole.

Even when the economic situation and the people's living were hard, the Government of the Republic with a view to accelerating the construction of an independent national economy and all-round development of our society, gave precedence to the popular education and training of cadres, and it spared no funds and efforts to this end.

At present the universal seven-year secondary education has been enforced in our country and the 9-10 year technical education will be effected in the near future.

Besides, with a view to raising the technical and cultural level of the working people systematically and training technical personnel among them, the system of adult education and that of passing on technique at work places are being introduced extensively in diversified forms.

In our country, along with the establishment and expansion of full-time colleges on a large scale, evening and correspondence-course colleges and factory colleges for studying while working have been run to train a larger number of new intellectuals.

Thus our country which had only several hundreds of technicians before liberation has come to possess an army of 220,000 engineers, assistant engineers and specialists. At the time of liberation the number of engineers or assistants for every one thousand employees was only two, but it rose to 100 in 1963.

Today our national technical cadres and specialists have become able to accelerate economic construction and run and manage with credit factories and enterprises on their own on the basis of up-to-date technique.

Thus our country is today developing the national economy mainly on the basis of its own technique, its own resources and on the energy of its own cadres and people, and the domestic demands for heavy and light industry products and agricultural produce are satisfied mainly with home production. This is a brilliant fruition of our lines of self-reliance and of

building an independent national economy. Of course there is still much to be desired in our national economy and we have yet much to do. But it can be safely said that we have already created our own firm economic foundations for turning the country in a near future into a rich and powerful industrial country capable of achieving yet higher living standards of the people.

The experiences of our people show that if the people liquidate the imperialist aggressive forces and domestic reactionary forces and continue to wage a resolute struggle by mobilising to a maximum the forces of their own people and domestic resources, they can overcome all obstacles and achieve the cause of building an independent national economy in a short span of time,

Our people heartily wish that the Asian and African people who have embarked on the road of building an independent national economy will achieve brilliant successes by fighting more courageously under the banner of self - reliance.



## SINGAMA LUVILA (Congo-Leopoldville)

Like Korea, our country is faced with criminal machinations of international gendarme: the USA. As the case with Korea, international conspiracy has spread the most fantastic nonsense about our country: imperialism, with its colossal means of information, went so far as to create a new concept with a view to misleading the public: what they call "Congolisation" is chanted repeatedly in order to picture our struggle allegedly as a gesticulation of savages. Those who insult the struggle of our people in this manner have a very short memory: 20 years ago the ambition of racism and the most disgraceful barbarism in human history came into the world from one of the most civilised countries in Europe—West Germany, that supports crusades of a new type under the flag of the United Nations.

This said, I am going to make commentaries on the report of the Korean comrade on the implication of the theory that he has developed on industrialisation applied to Africa and in the light of our country.

I will examine the implication of this theory of industrialisation on 4 points: firstly – the problem of capital, secondly – the problem of inter-African exchanges, thirdly – the problem of the national resources, and fourthly – the problem of borders.

It goes without saying that we express our interpretation of the practical experience of the already liberated brothers.

Our Korean comrade most sharply stigmatised the vices of colonialism and the systematic disorder caused by this shameful undertaking in our society in social, economic, cultural and political fields. Our comrade equally well unmasked the neo-colonialist manoeuvres which distort the objects of liberation particularly through the channel of economic "aid" and investments.

Supporting the idea of the necessity of building an independent national economy, our Korean comrade justly stressed the immensity of the resources of our countries. And only by tapping these resources, our people can initiate a policy of economic development.



With much talent the Korean reporter related in the light of the Korean experience the conditions for our liberation from exploitation.

In page 30 of his report, the Korean comrade says: "Without realising industrialisation one cannot be completely freed from the state of an agricultural and raw material appendage to the imperialist countries, nor build an independent, rich and powerful State.

Today, the imperialists are raving that the new-born independent countries which were economically backward in the past cannot build up-to-date heavy industry, particularly the machine-building industry, under the pretext of 'production tradition' and 'remunerativeness.'

Our Korean comrade said that "this is nothing but a shameless intrigue aimed at continuing economic subjugation of these countries."

I think this analysis is just.

As a matter of fact, imperialism, in order to mislead or pervert the objects of liberation resorts to a whole series of artifices including the using of "big stick" and inoculation of certain ideas. Thus, imperialists allege that agriculture is our reserved domain, and industrialization, heavy industrialization above all, can be put off until the time when there are created better conditions. This reminds me of the story of my grandfather who asked us when we were going to start our activities for national independence: "But how can you demand independence when you cannot even make a needle?" we think that the question lies not in knowing whether to begin with industrialisation or with agriculture. The question in our opinion is that of choice of the path of development; the choice of the non-capitalist path, the socialist path, has become part and parcel of the struggle against imperialism.

Along the capitalist path industrialisation will be motivated by:

- shameless exploitation of raw materials
- supplying the African market with consumer goods
- on-the-spot exploitation of inexportable power resources such as electricity

—employment of local labour power as cheaply as possible as proved by the widely alarmed unemployment problem. Alleging that investments will give the people jobs, they grant the investors exorbitant privileges whose function is anti-economic. The capitalist path demands us to put off industrialisation until we become rich in techniques and capital.

In effect this demand proceeds from the intention of setting up or maintaining a restricted area, an enclave for exploitation by capitalists who have industry which is one end of a vertical chain whose head is the metropolitan country.

This is a clear and easily understandable truth. It is the truth that the industrial firms are engaged in the development of resources only to the advantage of the shareholders. Here we see neo-colonialism whose aim is to hinder the building of an independent national economy by maintaining fundamentally colonial elements of economy, i.e., production of raw materials, monoculture system, insufficiency or non-existence of industrialisation, etc.

Now the path of non-capitalist economic development, the socialist path, is one which enables our countries to process the raw materials into consumer and capital goods on their own soil, with their own workers. That is why we think that our Korean comrade has correctly formulated the principle of correlation between the agricultural development and industrialisation, fully taking into account the practical modality.

In effect, the correlative character of socialist industrialisation and agricultural development is manifested in two aspects:

(1) In the aspect of men, the workers are recruited from among the peasants.

(2) In the aspect of production, it is peasants that feed the workers.

From this simple expression we can see the correlation of agriculture and industry.

We have said that colonialism and neo-colonialism aim at hampering the building of an independent national economy by maintaining fundamentally colonial elements of economy, i. e. insufficiency or non-existence of industrialisation, in particular

That is why we think, as our Korean comrade, that "Without industrialisation one cannot completely free himself from the state of an agricultural and raw material appendage to the imperialist countries."

With this said briefly, I am now going to study the implication of this theory in the light of the African situation, especially of our country. As I have said, in the first place, the necessity of developing an industry, even heavy industry, will be examined in the question of capital.

## I. Capital

The development of agriculture causes proletarianisation of peasants. It is tried here and there to organise these proletarianised peasants into production cooperatives. It is above all Israelian-type mirage that imperialism spreads everywhere. However, without the control of the sector of commerce these production cooperatives find themselves in the same state as in the most of portentous socialism practised by, among others, the most notorious reactionaries in Africa, who have the cheek to talk about "nationalisation" and "planned economy."

Socialist industrialisation, particularly when resources exist, makes it possible to solve the problem of capital.

In this case, the capital comes firstly from the profits realised by the sale of a part of raw materials which have been protected from the seizure of imperialists, out of the necessity of industrialisation, thus laying the foundations for an independent national economy.

The second source will be human investment, that is the transformation of the significance of work in production. This will be cultivation of the spirit of self-reliance.

The third source is the utilisation of foreign capital. However, foreign capital must be preliminarily neutralised. It can be only in the framework of genuine mutual cooperation based on the principles of equality, mutual respect, mutual benefit and non-interference in others' internal affairs,

## II. Inter-African Exchanges

The second point by which we examine the urgency of industrialisation is the situation of inter-African exchanges.

The undertaking of transport by imperialists is an obstacle to the increase of inter-African exchanges.

The traffic service running between the interior of the African countries and the coast makes the capitalist countries spoil and drain our resources, because of the absence or insufficiency of industrialisation. According to the statistics of Economic Survey of Africa published by the United Nations, the inter-African exchanges are very weak. They are at most around 10 per cent throughout the continent.

Here are figures on the exchanges of each African country with other African countries.

1. Rhodesia 26.9 per cent
2. South Africa 14.4 per cent
3. Sudan 13.2 per cent
4. Mozambique 14.1 per cent
5. The whole of former AOF 10.4 per cent
6. The whole of former AEF 9.7 per cent
7. Morocco 6.6 per cent
8. Algeria before independence 7.4 per cent
9. Madagascar 7 per cent
10. The Congo 6.1 per cent
11. Kenya, Uganda, Tanganyika exchange 6 per cent
12. Tunisia 6 per cent
13. Angola 4.7 per cent

14. Ghana 4.2 per cent
15. Sigeria Leone 2.2 per cent
16. Nigeria 1.0 per cent

These exchanges are very weak. Industrialisation will incerase them. And it can be said without exaggeration that "The genuine African unity that increases the exchanges among the African countries is attained through industrialisation."

### III. Resources

The third point I examine is the problem of natural resources.

If the exchanges are weak, the existing resources are spoilt by colonialist exploitation.

Resources are important.

Americans themselves say in a popular saying that "Africa is the continent God has reserved for mankind."

And at the Second International Congress of African Institutes, Dr. Perkan, Dircetor of the Deutch Bank, declared: "The resources of Africa are a great economic reservoir that enables Europe to meet its demands for raw material."

I am going to give a glimpse basing on "Economic Survey of Africa" of the resources of Africa that feed the industrial progress of Europe. The percentages of African products in the world resources on some items are as follows: 96 per cent of diamond, 43 per cent of manganese, 50 per cent of radium, 24 per cent of copper ore, 23 per cent of processed copper, 69 per cent of cobalt. So much for the figures. Now let us see the means of processing these resources at the begining of industrialisation including heavy industrialisation: These means are power resources. "Economic Survey of Africa" estimates Africa has deposits of 1,701 million barrels of oil and 42,100 million tons of coal.

Hydro-electric power that can be utilised at the beginning of industrialisation is estimated at 1 millton kwh. for former AEF and 9 million kwh. for former AOF., 77 million kwh. for Angola, and 176, 280 kwh. for the Congo.

Therefore there are ample conditions for setting about industrialisation at the earliest date, and industrialisation will be ensured by the equivalent progress in the agriculture field.

#### IV. Problem of Borders

The fourth question I examine is the problem of borders.

The borders taken over by the young States have the traces of colonial penetration dictated by the desire to evacuate the products to the metropolitan countries.

Now these borders do not correspond to the natural data nor to historic data.

In West Africa, for example, while the climatic zones and the zone of life divide East from West, the borders cut the people into north and south. The borders are cut as deep as into the hearts of the countries' narrow channels through which flow the riches of the continent.

This situation cannot but entail complication. We will remind only the difficulties created recently in Sahara: while the exploiters were grinning, rubbing their hands.

We do homage to fraternal countries and especially to Algeria that not only spared no effort for settling this fratricidal feud but also, as the Algerian brothers confirm it, is determined to create conditions for restoring the Sahara's underground resources to the Algerian people.

Another example concerning the borders is that of our country.

The Societe General de Belgique, one of the pillars of colonialist exploitation, possesses in our country, in Katanga, mines which are working fed by British capital (the Tanganyika Concession) and American capital (Rockefeller). The products of these mines are evacuated partly via Benguela in Angola to a port of Portugal where flourishes American capital that only wants to see industrialisation put off. This is to retard the

burial of neo-colonialism and allow it to have a free hand in this domain to continue its divisive operation and colonialist exploitation. But as for the problem of neo-colonialism I hope there will be occasion to discuss that question.

For all these reasons the delegation of the National Liberation Council of the Congo approve the analysis of the Korean comrade concerning the correlative development of agriculture and industry, particularly heavy industry, The purpose is to build an independent national economy. Independent of whom, independent from what? The national economy is relieved from the traditional ties of subjection and from all forms of dependence on big capital.

In order to realise this, it is necessary first of all to rely on oneself. This is the path of courage. This is the courage of the Korean people knocking down the hordes of international reaction which are countless and well equipped. This is the courage of the Algerian people who waged seven years of victorious war against odds on bare ridges. This is the courage of the people of Angola, Vietnam. and other people, this is the courage of the Cuban people who, at the very gate of the capitalist citadel, dealt the hardest blows at imperialism.

It is also our courage. The National Liberation Council has rallied before a powerful enemy, U, S. imperialism, The National Liberation Council has courageously rekindled the flames of our revolution retaking the arms against the common enemy.

We thank the Korean comrades who have appealed to us to display courage in the economic field, too.



## LE THI CAO (S. Vietnam)

Our delegation of South Vietnam is fully in accord with the view of the Korean friends that if we do not follow the line of self-reliance, we cannot build an independent national economy. We also consider that in any situation, however difficult it might be, we can achieve our purpose if we know how to mobilise the large masses of the people and have a firm determination.

I would like to relate some experiences we have had in the construction of our economy in the liberated zones. Our achievements are still very insufficient, but I wish to speak about them by way of exchanging experiences.

It must be stated that at this moment we wage in South Vietnam a very fierce struggle against the U. S. imperialists on all fronts, politically, militarily and economically. In other words, we must engage ourselves in building an economy which can sufficiently meet our need for the provisions of the population in the liberated zones and also for our revolutionary forces, thus ensuring the primary *sine qua non* for the victory of our long and hard struggle.

We must on the one hand crush the forces of the U. S. imperialist aggression with our own force, while on the other hand we must fight against the colonial economic policy of the United States, and lay at the same time bases for the promotion of an independent national economy which will flourish in the future.

As you know, our country is an agricultural country. Our liberated zone which makes up over two thirds of the entire territory is the main part of the countryside of Vietnam. That is why we will have to do with the farming at first.

The policy of our NLF advocates essentially as follows:

To confiscate lands which belong to the U. S. imperialists and their stooges. To buy up lands which surpass the limits fixed for each region from landowners at reasonable, fair prices, and distribute them among the peasants. To reduce the farm rents. To ensure the peasants the right to own land. To encourage land reclamation.



On this basis we have distributed and shared out to the SUV over 2 million hectares out of an arable area of over 2 million hectares.

This policy has brought us greater confidence of the peasantry that take part with great enthusiasm in the armed struggle as well as in the production work. On the other hand we have also paid constant attention to giving political education to the people through the mass organisations, to the organization of work and the technical reforms. We saw to it that farm machines bought in the occupied zones were shipped into our zones. Our Front guides the people in the work of irrigation, of increasing yields, etc. . .

As to the way of our work, as our young folks are mostly engaged in the armed struggles, we are short of manpower, but we could settle the lack by organising collective mutual aid groups.

Thanks to all these efforts, though the enemy incessantly attack us causing tremendous devastations of lives and wealth, we are able to cope with the difficulties and give impetus to the increase of our farm produce in the liberated zones. In many regions production has increased 2 to 3 folds and famine has been overcome in the mountain regions. In general, life in the liberated zone is better than in the occupied zone.

At the same time we are striving to raise handicraft products, before anything else those production branches which are most urgently needed by the people, such as fabric, ceramic, paper making industries and ironwork for producing farming tools. We recall that when we were putting up resistance against the French imperialists we could tackle the problem of clothing the people and the armed forces in the zone of Central Vietnam which was blockaded by the economy.

I have very briefly surveyed our work. It must be added that we are faced with countless difficulties and above all that state of war in which we find ourselves.

We are convinced of the great potentialities, of our people, and are assured of our victory in the domain of economy since we are fully convinced of the final victory of our people in the political and military struggle against the aggressive warfare of the U. S. imperialists.

## NICHOLAS PHILIP GOR (Kenya)

So-called U. S. A., British, French and other foreign imperialists have been interfering in our own internal affairs of any plans for the development of our country - such interference should stop. and immediate steps should be taken by the strong unity of Afro - Asian countries for economic co - operation.

Political independence means nothing without economic independence, because no nation on earth can build an independent country and make it rich and strong and achieve national prosperity without an independent foundation.

Therefore I accept in principle, the report of Korean delegate. Our newly - independent country will make use of this paper, when making our plan for the future development, or re - organisation of further development plans in our country, which has been under colonial rule. The paper gives a very clear direction to us.



## SUMMING UP ON BASIC REPORT I

**NAM CHOON HWA**

*Head of the Korean Delegation*

I express deep thanks to many delegates for taking an active part in the deliberation of the First Item on the Agenda and for setting forth valuable experiences and views and subscribing to the content of the report.

Your high appreciation of the achievements made by the Korean people under the leadership of Premier Kim Il Sung in the independent economic construction under the banner of self reliance tremendously inspires us to struggle.

It is a great success scored at the current Seminar I consider that a unanimous understanding was reached in recognising that an independent national economy must be built in the revolutionary spirit of self-reliance to further strengthen the struggle for winning national liberation and independence against imperialism and colonialism and to consolidate political independence in the countries which have already achieved it.

In the course of the discussion valuable experiences and views were exchanged on the concrete ways and means of independent economic construction and sincere desire was expressed for strengthening unity and co-operation among the Asian and African peoples on the basis of the Bandung spirit.

I think it was quite right when many speakers stressed that what is important in the building of an independent national economy is to deal with skilfully all the problems in conformity with one's own specific conditions while adhering to principles.

The Asian and African countries are in different stages of historical development and their actual conditions are different from each other. Hence these countries can not mechanically apply a general pattern or imitate the experiences of other countries mechanically in working out the line for independent economic construction.

I have already emphasized in my report that it is important for each country to solve independently all problems on independent economic construction in accordance with its own specific situation and conditions.

Also at the Seminar the firm conviction was manifested of the ability of the Asian and African countries of building their own splendid life with their own efforts on the principle of self reliance, and the aggressive policy of the old and new colonialists led by U. S. imperialism as well as the deceptive nature of the imperialist "aid" were fully laid bare with irrefutable, concrete data.

We consider that the foundations for independent national economies should be laid and, on this basis, economic co-operation should be promoted among the Asian and African nations.

The entire course of the debate reaffirmed that the construction of an independent national economy is an extension of the anti-imperialist, national-liberation revolution and that it is an important guarantee for eliminating the colonial backwardness of economy and turning the country into an independent and prospering state equipped with modern science, technique and culture.

Self-reliance is the most correct way and inflexible principle for the peoples, who underwent oppression and exploitation in the past, in putting an end to the age-old backwardness and poverty for good, defending freedom and independence and achieving prosperity and happiness of the nation with their own strength.

By waging a stubborn struggle for realizing this principle and method, let us finally liquidate old and new colonialism in Asia, Africa and Latin America.

I would like to thank you once again for your active and sincere participation in the discussion of questions in the spirit of friendship, unity and co-operation from beginning to end.

# NEO-COLONIALISM AND ASIAN ECONOMIES

## (BASIC REPORT 2)

F. RUNTURAMBI (Indonesia)

First of all our gratitude to our hosts the heroic Korean People, the Democratic People's Republic of Korea and the beloved Premier Kim Il Sung, for their hospitality, their firm international solidarity to all fighting peoples against imperialism, colonialism and neo - colonialism.

It was about one and a half year ago our first historical seminar on Asian economic problems was held in Colombo under the chairmanship of Mr.s Theja Gunawardana from Ceylon. Now we convene again in broader composition because of the attendance of more Asian countries, some delegats from African countries, Australia and New Zealand.

The subject we are dealing now is, "Neo - colonialism and Asian Economies". I feel it is not a simple problembecause:—

Firstly, I am sure that it is the delegations of the respective countries in Asia themselves, who know exactly and well about the economic situation of their own countries and the adequate solutions for their economic problems.

Secondly, the lack of materials from official as well as unofficial sources and my limited knowledge are obstacles in making a realistic analysis on the economic situation of the respective countries.

But all these difficulties did not stop me from proceeding to prepare this report for the Second Asian Economic Seminar in Pyongyang, because I believe that all of my friends from all countries represented here will kindly contribute in improving this rough document.

Generally speaking the colonial and the newly independent countries have great economic potentialities provided by the rich natural resources and the creative working people.

The rising economic demands of the peoples and the problem of economic construction and betterment of the standard of living are great problems of the present time. Planning in the national economic development of respective countries has been set up. The problem of financing economic development still cannot be solved by inviting foreign capital investments of certain international monopolies especially the American monopolies. Credits have been obtained from various countries.

But up to the present time economic difficulties of these countries cannot be overcome in such a reformistic way. Stagnation in the economic development and the grave economic and social situation in the economically weak countries often cannot be solved by economic steps only.

The main reason for the economic standstill in these countries is the domination of the imperialists and their intervention in the national policy of the economically dependent countries.

Peoples in some countries of Asia have succeeded in forcing their governments to act radically against the imperialists' domination, intervention and subversion in the economic and political field. Facts about this will be found in some parts of this document.

In this introduction I would only stress in general that the economic problems of the Asian countries cannot be solved separately from the political problems, that is, the abolishment of the imperialist's domination in the national economic and the interference in the national political affairs. It was rightly said by President Sukarno as spokesman of the Indonesian people and the Government, "go to hell with your aid!". It is clearly understood by the Indonesian people that it was addressed to the American imperialist who tries to link his economic aid with his demand to stop the anti - Malaysia policy of Indonesia.

Since our First Seminar, some important events have occurred concerning the struggle of Asian peoples in maintaining or winning their independence politically. The people's

strength is growing more and more which enables them to overthrow the old colonialism and to fight strongly neo-colonialism.

But on the other hand the imperialists especially the American imperialist has become more aggressive and barbarous in his attempts to crush the rising revolutionary peoples of South Vietnam, South Korea, North Kalimantan, Aden and other places in Asia.

Valuable experience of the oppressed nations in all countries have taught us that the imperialists will do everything to hamper the revolutionary struggle of peoples for political and economic emancipation. Illusion about the natural collapse of imperialism through the so-called peaceful co-existence and peaceful competition have been condemned by the Asian peoples who are facing imperialist aggression from day to day. There is no doubt that peoples in other continents are also facing the dangerous adventures of the United States imperialist.

Imperialists are aware of the national aspirations of the peoples in Asia and Africa against the old colonial rule. For this reason they cannot but devise new forms of colonialism in the newly independent countries particularly focussed on the economic field. In safeguarding their vested economic interests the imperialists utilize the political apparatus in some countries as a tool of neo-colonialism.

The following chapters of this report deals with some economic aspects of neo-colonialism in Asia, the link of economic and political problems and the way suggested to have a common international activities against imperialism, colonialism and neo-colonialism.

## I

### **Penetration of Monopoly Capital as a form of Neo-Colonialism.**

The people's struggle in Asia for economic development on the basis of self-reliance in the newly independent countries is obstructed by the imperialists namely the United States and

Britain. In bolstering up puppet governments of some countries they attack the revolutionary people's movement for higher living standard and improvement of the national economy. Living examples could be found in South Vietnam, South Korea, Laos, Aden and some other places in Asia. U. S. imperialism still occupies Okinawa, the territory of Japan and Taiwan, the territory of the People's Republic of China.

Under the slogan of "Asians fight Asians" the British imperialist backed by the U. S. A. created a neo-colonialist project, Malaysia, which is in violation of the right of self-determination of the peoples in North Kalimantan, Malaya and Singapore. By so doing the imperialists maintain their economic interest and threaten the security and the struggle of the Indonesian people for full national independence. This dangerous imperialist adventure has forced the Indonesian people to rise and to form millions of volunteers for the liberation of North Kalimantan from the neo-colonialist's claws of the British imperialist,

On this occasion I would like to use this rostrum in conveying the warmest and fraternal greetings of the Indonesian people to the Korean people and the beloved leader Premier Kim Il Sung, and our gratitude for the concrete support of the heroic Korean people having enrolled themselves as volunteers together with the Indonesian volunteers in crushing British neo-colonialism in Malaysia. We also congratulate the Korean people for their great success in building socialism based on the principles of self-reliance in the development of the national economy.

The penetration of monopoly capital endangers further the political and economic independence of Asian countries. The imperialists pressurize the economically weak countries and do not encourage the people of Asian countries to liberate their economy by means of industrialisation, and they even adopt the attitude of opposing industrialisation plans of these Asian countries. They force the countries to accept foreign private investments, especially in exploiting raw materials to meet the demands of the imperialists themselves. They are trying hard to press the prices of raw materials as low as possible and are selling the industrial goods to Asian countries with ever



increasing prices. By so doing the economically backward Asian countries will be forced to remain backward and dependent in their economy.

The following facts will confirm our above - mentioned statement. Take for instance rubber, the product of raw material of some Southeast Asian countries:

	1961 monthly average (in thousand tons)	1962
Brunei	0.13	0.12
Burma	0.83	0.14
Cambodia	3.33	3.46
Ceylon	8.13	8.67
India	2.25	2.62
Indonesia	59.8	55.8
Malaya	60.51	69.17
Thailand	45.4	16.0

For South East Asian economies in general, rubber production is an important export material which produces foreign currency by which these countries finance their import. The increase and decrease of the rubber price in international market has always directly affected the balance of payment of the rubber - producers in question. The reduction of prices in the international market now being experienced, has affected even bigger damage in the balance of payment of these states. The more so with those states which are economically weak which mostly depend on export and import.

The development of rubber prices in 1961 — 1962 is as follows:  
(rubber price per pound)

January 1961	December 1961	January 1962	December 1962
New York Market			
28.45 US\$cent	27.50	26.65 US\$cent	23.10

#### Rubber of RSS I

Indonesia and Malaya produce 67 per cent of the world rubber. Prior to the war, the production and trade of the natural rubber was in the hands of the British, French and Dutch monopoly capital. After the second world war, however, the U. S. monopoly capital, with the purpose of

seizing the domination of Britain, France and the Netherlands in this field, has opened big rubber plantations in Liberia, Brazil, Guatemala and others; they are also expanding their capital investment in rubber in Malaya, Thailand, Indochina, In Indonesia, the U. S. capital in the rubber plantation has already existed prior to the war, that is those owned by the "Goodyear Tyre and Rubber Coy". U. S. monopoly capital has annexed British owned big plantations in Pahang and Negori Sembilan (Malaya). "Goodyear Tyre and Rubber Coy" has also bought French owned rubber plantation in Laos and Cambodia.

The influence of the British capital, however, is rather deep - rooted and it is impossible to subordinate to U. S. capital in a very short period of time. The U. S. therefore, carries out its vicious trick aimed at destroying its competitors and manipulating the prices in the world market, which greatly affected the rubber producing countries by threatening to increase the production of synthetic rubber and carrying out the natural rubber stockpile policy, in order to shake the world market. It is through these vicious means that the U. S. monopoly is now bringing about the market of the raw material to chaos, while at the same time multiplying the profit through monopoly system, exploiting the producers of the raw material for its own interests.

In 1957, the U. S. Congress decided to pile 76 varieties of strategic material mostly produced by the economically underdeveloped rubber - and - tin - producing countries in South East Asia. These are the strategic material reserved for war necessities of the U. S. imperialists.

In addition, to meeting the requirements of imperialist wars, the reserve is also used to press on the prices of raw material in the world market. This economic war has been changed into "undeclared" war against those economically weak countries. In September 1959, the U. S. announced its decision to sell out the rubber stockpile amounting to 470,000 tons during the period of 9 years to come. By the same method, the U. S. pressed the price of tin, and while the price increased in 1960/1961 the U. S. Government announced that it possessed a stockpile amounting to 330,00 tons while the rest amounting to 160,000 tons would be dumped on the world market.

For Malaya, 60 per cent of its export consist of rubber and 20 to 25 per cent tin. Since the prices declined in 1951 (less than 1 Str. \$ per pound) Malaya until the mid of 1963 suffered a loss of 370 million US.\$

The prices of raw materials went lower and lower, while the prices of capital materials constantly increased which has caused the bad consequences for the undeveloped countries, as evident by the ECAFE report on economic planning which reads as follows: "In the proces of accelerating development efforts, demands for imports, especially of essential capital goods and raw materials in the developing countries tended to increase very rapidiy, in most cases, at a rate higher than rate of income growth. On the other hand, the primary products on the export of which the majority of these countries still continued to rely for the financing of imports faced a sluggish growth of demand abroad. The inevitable result was a widening gap between the imports requirements of these countries and their exports earnings. Thus, in the present circumstances, the balance of payments situation had become a factor limiting the pace of their economic development." (Economic Bulletin for Asia and the Far East Vol. XIII No. 3 Dec. 1963).

From this experience it becomes increasingly clear for us that the newly independent countries must stand on the basis of self - reliance in overcoming the economic difficultics in the country, whereas its foreign economic relations serve only as an additional factor. Needless to say, the economic construction in our countriés in Asia could never rely upon such international agencies as International Finance Corporation, GATT and the like, which are the tools of world monopoly capitalists. It is also out of the question that the Afro - Asian countries should rely for their fate on the U. N. Conference for trade and world development now being held in Geneva.

The imperialists tirelessly sought a good chance for investing its capital in the newly independent countries in Asia and other continents. The imperialists implemented a competition among them to seize the raw material centres and markets Through the ECM (Economic Common Market) the imperialists endeavour to monopolise the purchase of raw materials at

the lowest prices, of commodities from Asian and other countries exporting raw-material and to promote competition among the imperialist countries themselves. The U. S. imperialists have even greater ambition of combining all the economic groups into a bigger economic grouping under its domination, but it has not yet been realised. Economic barricades standing in its way by its competitors in West Europe are being broken through the conclusion of bilateral agreements which are beneficial only to U. S. monopoly. In so doing the U. S. wishes to hold monopoly and control over the economy of other countries in the world

In the meantime, the U. S. imperialists have widely spreadly invested their capital in the world, as reported by the U. S. magazine "Fortune", December 1963 publishing the report of the U. S. Chamber of Commerce which among other things stated, that U. S. investments have been increased from U. S. \$11,800,000,000 in 1950 to over U. S. \$37,000,000,000 in 1963. In the Western Hemisphere, including Latin America and North America, the U. S. investment in the period amounts to U. S. \$ 21,558,000,000 comprising U. S. \$ 2,131,000,000 in Canada, U. S. \$ 2,286,000,000 in Venezuela, U. S. \$ 1,088,000 in Brazil, U. S. \$ 873,000,009, in Mexico, U. S. \$ 797,000,000 in Argentina, U. S. \$ 556,000,000 in Panama.

In Africa and Middle East, investment amounted to U. S. \$2,452,000,000 including U. S. \$1,206,000,000 in the Middle East only, U. S. \$353,000,000 in South Africa, U. S. \$263,000,000 in Libya, U. S. \$178,000,000 in Liberia,,

In the Far East and Oceania and Australia the investment of the U. S. capital monopoly amounted to U. S. \$2,550,000,000 including U. S. \$1,091,000,000 in Australia, U. S. \$394,000,000 in Philippines, U. S. \$369,000,000 in Japan, U. S. \$196,000,000 in India, U. S. \$160,000,000 in Indonesia, U. S. \$60,000,000 in Malaya, U. S. \$48,000,000 in Pakistan.

Despite their incompleteness, the figures sufficiently describe the widescale penetration of U. S. capital in other countries. The U. S. capital investment in Asia is mostly in the production of raw basic material. Infra-structural projects are

financed through economically and politically strings – attached credits and through those means which secure the smoothness of their direct capital investment and through certain private individuals.

Do they try through their capital investments, to help the industrialisation of Asian countries?

The answer is certainly no and on the contrary they even try to prevent it.

The profits gained by the U. S. imperialists are increasing with the passing years. But all this helps in no way the construction of the newly independent countries. It only serves to create obstacles in the form of subversive movements aimed at undermining the independence of the Asian states.

The U. S. statistics as regards the new U. S. investment from year to year and the profits they are drawing into their pockets can be seen in the following table:

“underdeveloped countries”		(million dollar)	
	U. S. Investment	profits remitted	nett
1950	215	876	661
1951	226	1,123	897
1952	438	1,958	620
1954	185	1,267	1,082
1955	260	1,424	1,164
1956	817	1,497	680
1957	1,224	1,620	396
1958	465	1,375	913

Amount of capital invested by the U. S. in the economically weak countries compared with the amount of profit received is 4: 7. This profit in 1962 increased again to U. S. 2,750,000,000.

This is the tragedy of the economically weak Asian countries which become the victim of the U. S. imperialists.

The way to attain economic independence by standing on one's own feet is urgent for these countries besides strengthening their economic cooperation with the countries of the newly emerging forces,

The problem of developing agricultural production as the basis of the newly independent countries is linked with the achievement of an adequate land reform, beneficial for the tillers. This could only be realized through a firm struggle against feudalism,

The feudalist production relations are a hindrance in raising the creative power of the peasants and lower their purchasing power. Industrialization of the newly independent countries cannot but rely on the high purchasing power of the peasants, the largest consumers in the home market.

It is evident that in several countries of Asia and Africa for their political independence from old colonialism they have to solve the agrarian problem sufficiently and to emancipate the peasants from feudal exploitation.

## II

### Some other Aspects of Neo-Colonialism

We have said that the imperialists are endeavouring to create in Asia a region of hot-war and that they are stupid to say that this region is something which has some connection with the security of these imperialist countries situated thousands of miles from Asia and separated by a vast ocean.

As regards the region of hot-war in the Straits of Taiwan it is significant to quote the statement of Premier Chou En-lai during his sojourn in Africa which reads as follows:

“China could not possibly reach a principled agreement with the United States of America as long as the U. S. refused to withdraw its armed forces from Taiwan and the Straits of Taiwan. China will never bargain with principles, and at the same time it will also not end the negotiations. This is because China is taking a consistent stand on solving the international disputes through peaceful negotiations without any force. The time will come when the U. S. armed forces will leave Taiwan, although they are still entrenched on the island. China's stand deserves to be described as most patient and restrained. But should the U. S. Government regard it as a sign of weakness

and think that China can be intimidated and further continue its aggression, the entire Chinese people will then rise to oppose it and fight it to the end”.

What is being created by the U. S. imperialists in Indo - China, including also in South Vietnam, Laos and Cambodia? The U. S. which is one of the co - signatories of the Geneva Agreements has torn this agreement to pieces by launching armed intervention in South Vietnam and waging a “special war” there, saying that it is not declared and that its nature remain as an “undeclared war”.

In Cambodia the U. S. imperialists are making trouble and using their agents to carry out subversion and aggression against Cambodia. What the U. S. is doing in Laos is exactly the same, plotting and disrupting and trying to bring its patriotic people to their knees. Therefore, we regard it as natural that the situation in Indo - China should develop according to the stipulations demanded by the Geneva Agreements of 1954 and 1962. U. S. forces must withdraw from South Vietnam and its interference and aggression in Indo - China must be ended. The majority of the Afro - Asian peoples desire this, even the U. S. public wants it too, with the exception of the U. S. monopolies including the Pentagon generals. Besides noting U. S. imperialists’ interference both in Japan and the Philippines as well as several other Asian countries, we see the activities of the British imperialists pursue the same measures in Southeast Asia. But the British imperialists are also receiving powerful blows in the Middle East, in Yemen and in Aden.

In pursuing their policy of strength in Asia the gigantic looking U. S. imperialism also suffer defeat. This is proved by their setbacks in Korea, in South Vietnam or in facing their intervention in Indo - China. Despite this we must still always be vigilant against the tactics of the U. S. imperialists and their cliques who with their aggression have created regions of hot - war in Asia such as in South Vietnam, Laos, South Korea, Taiwan and wage their intervention and economic penetration in Indonesia, India, and several other countries.

As regards the main activity of the U. S. imperialists in Indonesia it can be said that they are coveting our vast natural wealth and looking for ways and means to possess them through foreign monopoly capital investments. Ever since the capital owned by the Dutch colonialists were almost totally taken over by the workers and transferred to the State, the capital owned by the other imperialists, first and foremost the U. S. and British imperialists, are felt to be threatened and they seek out ways to safeguard these; for instance, through subversion and intervention as well as intimidation and pressure which received the opposition of the Indonesian people.

The Indonesian people, first of all its workers and peasants, have given support and their sympathy to the firmness of the Government of Ceylon under the premiership of Mrs. Bandaranaike to nationalise the oil concerns and their installations owned by the U. S. capital, even though it faces intimidation from within and without the country.

In view of the rich experiences of the Afro - Asian peoples up to this time, we are today facing the most urgent task of strengthening the unity of Afro - Asia and Latin America against imperialism, colonialism and neo - colonialism.

The revolutionary unity of the 1700 - million strong Afro - Asian peoples who are holding aloft the banners of Bandung, forms a powerful factor in the world which can stimulate the development of the world and in all international affairs.

For the peoples of Africa and Asia in general, the task is develop the Bandung spirit, strengthen the solidarity for their economic independence and develop their cooperation on the basis of mutual assistance.

Even though today this mutual-assistance and economic cooperation among the Afro-Asian countries is still limited on the basis of mutual benefit this cooperation will become stronger each year. This type of economic cooperation cannot be found among the economic relations between the Afro-Asian countries and the imperialist countries which acts as metropolitan countries towards the colonial and former colonial countries.



At present the Asian people are facing the evil tactics of British imperialism in several regions of Southeast Asia and in other places in Asia. The British imperialist plan concerning "Malaysia" neo-colonialism and also their plan towards other countries in Africa such as the federation of former Rhodesia and Nyasaland as well as other federations in the Middle East which are now strongly opposed by the peoples of the countries concerned have an economic background as well as political which benefit the imperialists.

The main motive of the formation of this neo-colonialist "Malaysia" project is to continue to keep this economically and strategically important region for the defence of the British imperialists and their puppets, because maintaining the possession of this region means for the British its continuance over the exploitation of its rubber, tin, thorium, titanium and other resources of strategic value. In concocting this neo-colonialist project Britain obtains the permission and blessings and the full support from the U. S. which acts as if it is the "keeper of peace" in Southeast Asia.

For the British, Malaya, Singapore and North Kalimantan all constitute sources from which to drain vast profits to the detriment of the working people, all of which are necessary for the imperialists for the maintenance of their monopoly capital investments.

The following figures strengthen the above mentioned conclusion: Britain possesses about 75% of the rubber estates in Malaya, 65% of the tin mines and 70% of the Malayan foreign import and export trade.

In Brunei (North Kalimantan) Britain owns the British Shell Petroleum Company which yearly produced 4.5 million tons of oil with a net profit of £ 26 million a year. In Sarawak 80% of the export of oil, gold and timber are dominated by the British enterprises, while in Sabah they dominate 85% of the rubber, timber and copra trade. In addition, now there is capital owned by U. S. Canada, West Germany and Japan active in North Kalimantan.

That Malaya owns strategic materials which are most needed by Britain, the British Tory M. P. Patrick Maitland has once said: "Malaya has an important significance in this atomic age to remain close to Britain, because it produces thorium, manganese and titanium."

As for North Kalimantan, a British general once said that this region has a very vital importance for Malaya. Major-General S. Woodburn Kiby in his book "The War Against Japan" said: "North Kalimantan occupies a most vital place for military strategy in Southwest Pacific. This island sprawled in the middle of the sea lane from the north of Malaya, Sumatra, likewise Sulawesi and Java, if strongly defended, this island can become a bastion to safeguard Malaya (read: to safeguard British interests in Malaya) and the other islands."

Around 1954 and 1955, Britain faced difficulties in its economy. The pound sterling was very weak, and together with the beginning of its effort to possess its own nuclear weapons which demand no small cost, and added to that the ever increasing need for its defence of its colonial possessions, which were daily becoming less. Great Britain at that time needed more budget including the dollar. In the meantime Malaya as a source of rubber and tin has to be defended, for these constitute also sources of dollar for Britain. These dollars are obtained from the export of the regions to the U. S. or to other dollar regions, and also from reexporting of goods which formerly came from the neighbouring regions, including Indonesia. As is known, Indonesia had formerly exported its goods by way of Singapore and Penang which yearly amounted to about 250 million U. S. dollars, conducted in a legal way. But now with the total confrontation against the neo-colonialist "Malaysia" project the export through this country was stopped by Indonesia and this country which possesses these goods would get more profit by conducting direct trade with the consumers abroad.

Such are the motives of Britain in forming the neo-colonialist "Malaysia" project with the full support of the U. S. and not as thought of by some people that this project was an effort at decolonisation.

What other pretext did the British colonial authorities advance in the interest of defending the regions of Malaya, Singapore and North Kalimantan for the British empire? Duke of Gloucester, uncle to Queen Elisabeth who represented her in the ceremony of presenting independence to Malaya in Kuala Lumpur, said: "It becomes the duty and aim of Her Majesty Queen in London and her civil servants to help you (Tunku Abdul Rachman and co.) to occupy your natural place in the world. Malaya is a precious and lovely jewel, but it would be more lovely if it is attached to beautiful golden chain" (read: attached to British interests).

From these statements it is clear that "Malaysia" is a British neo-colonialist project, and therefore the Afro-Asian countries which are imbued with the Bandung spirit to fight against every manifestation of imperialism, colonialism and neo-colonialism are fighting persistently against its project, and this is what is also being done by Indonesia and several other countries.

The above contentions can be proved if we study the history of the formation of this project further. In 1945 the then British Foreign minister, Ernest Bevin, expressed his idea to unite Malaya, Singapore, Serawak and Sabah into one dominion. This dominion will be included into one western defence pact which will be formed in Southeast Asia. This concept of a Western pact could not be realised for long and here and there British rule in its colonial possessions became increasingly undermined because this defence could not possibly be borne by Britain alone. Early in 1954 the South East Asia Treaty Organization was forcibly formed by the U. S., Britain, France, etc. This happened after the fall of the French colonial colonial bulwark in Dien Bien Phu and the birth of new republics in Southeast Asia. This defence pact, although it has now existed for 10 years, far from becoming stronger has become weaker instead. In line with the development of the peoples resistance in Southeast Asia, especially against imperialism, colonialism and neo-colonialism, these military pacts of the imperialists have become more discredited and are not feared by the Afro-Asian peoples who are persistently fighting

on the basis of a strong international solidarity. The concept of "Malaysia" is proved to have come not from the peoples of Malaya, Singapore or North Kalimantan themselves but from the British imperialists.

By concocting the neo-colonialist "Malaysia" project the imperialists are attempting to encircle the progressive forces of Indonesia and also to make this region as a buffer for its empire against the progressive wave from the "north". Whereas in reality their main aim is to oppress and colonise the Southeast Asian peoples who for the time being are regarded as the more easily dominated than the increasingly powerful socialist countries. But with the ever rising spirit of anti-imperialism, anti-colonialism and anti-neo-colonialism the death toll of imperialism is being sounded not only from the north and south but also from its own midst: Imperialism will be destroyed.

What happened with the other forms of British federations in the Middle East? Take, for instance, Aden (Sheikdom and Amirates Federated southern Arabia.)

There today a mighty popular resistance has arisen against this British-made federation. This federation was established by Britain in 1962 and comprising of 12 Arab tribes which up to now constitute a British protectorate. Last year Aden was forcibly incorporated into this federation. The purpose of this federation is to weaken the position of Aden—which has already possessed popular organisation and anti-colonial aspirations—by using certain tribal chiefs in order that Aden bow down to British imperialist rule. These British-made federations are one of the already disintegrating neo-colonialist tactics. In the Middle East in particular, the British imperialists want to continue to exercise their control over the oil sources which they now dominate.

The British imperialists together with U. S., French and other imperialists are draining vast riches in the oil regions of the Middle East, and they set up a consortium. In Kuwait, U.S., British and Dutch concerns continue to drain the riches and make investments. In 1955 alone the Iraq Petroleum Company invested U. S. \$ 460 million (Figures from Petroleum Press Service.)

Their average profit is 180%, and according to U. S. economic survey, (Harvey O' Connor,) for every dollar invested the U. S. oil concerns paid back an average of U. S. \$ 29.61. Where do so great a profit come from? It comes from the margin of the price of oil (whtch is U. S. \$ 15 per ton) and the cost of its production (which is less than U. S. \$ 2 per ton). This makes the oil monopoly capital profits U. S. \$ 13 or more per ton, and after dedution for royalties to the governments of the Middle East countries these oil barons receive U. S. \$ 6.6 per ton, and this amount must be multiplied with the production of oil in the Middle East which is +200,000,000 tons per year, or U. S. \$ 1, 320,000,000.

This still constitutes a fraction of the total exploitation of all the wealth of the people of the Middle East countries by the imperialists, for there are still many kinds of imperialist manipulations and speculations.

It is for all this that the neo-colonialists carried out their tactics, which for us there is no other way than to fight it.

The might revolutionary storm of the people's revolution in Asia and Africa has made the old colonial system of the imperialist tremble. The imperialists and colonialists have designated it as political and economic destruction. For the revolutionary people, however, it is revolution that is the only way to full political independence and economic emancipation.

The old colonial system of the imperialists is rapidly decaying. But it does not mean that imperialism, colonialism and Neo-colonialism have disappeared. Economic and political facts are showing that the imperialists are forced to change the old form of colonialism into a new form, that is neo-colonialism.

The neo-colonialist policy of the imperialists takes now the form of splitting people's untiy, launching the so-called anti-communist campaign, inciting racialism, misusing religions for reactionary purposes, cultivating corruption among the government officials, taking reactionary measures against the revolutionary workers' and peasants' movement. The imperialists are also carrying out subversive activities and infiltrate

certain mass-organisations and government institutions through their organisations such as the Asian Foundation, Moral Rearmament, the Rotary Club, the Rockefeller Foundation, the Kennedy Foundation, the Goethe Institute, the Peace Corps, and the executive Peace Corps, etc.

International organisations controlled by the American imperialist play also an important role in serving the neo-colonialist projects. Wellknown are, among others, the Asian Productivity Centres, and the Association of South East Asia (ASA). Through these institutions the imperialist agents play an important role in drafting economic programs of some Afro-Asian countries, in providing facilities for large investments of monopoly capital belonging to the imperialists. Every dollar or pound sterling being spent must return to them in huge profits. This is also one form of neo-colonialism in various Afro-Asian and Latin American countries.

Drawing lessons from experiences we can formulate the main features of neo-colonialism as follows:

1. Establishment of puppet governments sometimes through false "general elections", for instance the so-called election in the British sponsored neo-colonialist Malaysia, to protect the economic interest of the imperialists.

2. Splitting state sovereignty into small territories with the so-called respective independent administration in order to intensify the imperialists control on national policy.

3. Balkanisation by splitting countries such as Congo, the creation of artificial federal states and borders.

4. Subversive activities and infiltration against patriotic national governments which follow the anti-imperialist policy.

5. Inciting the reactionary slogan "Asians fight Asians," "Africans fight Africans" and stimulating antagonism between Asian States on boundary disputes.

6. Establishment of military bases and under the pretext of scientific research the imperialists set up rocket missiles bases such as in Christmas islands.

7. Imperialist domination in the national economy of the Afro-Asian countries and in Latin America through direct and indirect capital investment in various forms and interference in setting up national programs of those countries.

8. Intensive control of the imperialists on the foreign trade and monetary policy of Afro-Asian countries.

9. Keeping the newly independent countries backward in their national economy and the social standard of the people. The one sided character of the economy of these countries as the traditional supplier of cheap raw materials for the imperialist countries is maintained. These are among others the main features of neo-colonialism in Asia and Africa, the challenge we are facing today. By holding high the Bandung principles the Asian and African peoples will be able to take common action against neo-colonialism.

Apart from the political and economic situation in the non-socialist countries in Asia our period today is also marked by the strengthening of socialism in the socialist countries. This will ensure the mighty force of the struggling people in crushing every attempt of the imperialists to launch aggression and intervention in various countries in Asia and other continents. The economic potentialities of the socialist countries are concrete possibilities in forming economic co-operation between the newly emerging forces on the basis of equal right and mutual benefit.

### III.

#### Economic Co-operation

Concerning the question of economic cooperation we would like to stress that the way out of the economic difficulties, which we are all facing as the vestiges of imperialism and colonialism, for the Asian countries in particular is to strengthen the existing economic, political and cultural cooperation between the new emerging forces, on the basis of equality and mutual benefit. We should take joint action to oppose imperialist military aggression on Asia, including the adventure of the US Seventh Fleet and the imperialists' policy of incitement in Asia

and to frustrate the imperialists' plan to interfere in the internal affairs of Asian countries. These joint actions need to be continued and developed further by the countries and peoples of Asia that are now facing the practices of the U. S, imperialists and their like, as is the case in Africa.

In 1955 the Bandung Afro-Asian Conference adopted a resolution which among other things said that the Afro-Asian countries are aware of the necessity of promoting the economic development of each country in Africa and Asia by way of economic cooperation on the basis of equality and mutual benefit.

In the Meeting of Ministers in preparation for the Afro-Asian Conference II held in Djakarta in April 1964, it was also decided that the aim of the forth-coming AAC II among other things is "to revive the spirit inherited by the Afro-Asian peoples and to use to the full capacity their natural resources for the purpose of their moral and material advancement and for the development of their personalities on the basis of political sovereignty and economic selfreliance, as well as for the promotion of culture based on their respective personalities."

The other decision, among other things stated that the ACC II will formulate basic lines and to make practical measures which will give further inspiration to the people of Africa and Asia in continuing their struggle against all forms of colonialism, racial discrimination and foreign exploitation, to guarantee a total emancipation for the countries which are now still under foreign domination. In the agenda of the forth coming AAC II the following problems were also included.

(a) to review the results of the United Nations Trade and Reconstruction Conference in Geneva, in particular that concerning the position of the Afro-Asian countries towards the industrial countries; and

(b) basic figures for cooperation among the African countries toward economic emancipation,

In addition the MMAA II also decided to hold meetings of Foreign Ministers on the eve of the AAC II and that this meeting should give special attention to problems of economic



development and cooperation. It was also decided to recommend to the Governments invited to the UN Trade and Reconstruction Conference in Geneva to instruct their heads of delegations to hold a meeting after the Conference, to review and to evaluate its results from the viewpoint of the agenda of the forthcoming AAC II, with the purpose of formulating recommendations in relation to the economic problems. Those Afro-Asian countries which are not represented in the Conference need to be invited to such a meeting.

The results of the Conference in Geneva called by the UN according to our estimation are not beneficial to countries with weak economies, excluding one positive aspect, namely that the less developed countries now realise the importance of holding a meeting of the Nefo countries for the purpose of overcoming all kinds of economic difficulties and to wage a continuous struggle against old and new colonialism. Up till now it turned out that these old powers, namely the imperialist countries, during the Conference in Geneva refused to retreat from the position they are now holding, and therefore the conflict of interests between countries will continue to exist as long as the latter forces are not wiped out. Based on the experiences of the economic cooperation with the imperialists countries, this cooperation could never solve the economic difficulties faced by the Afro-Asian countries.

There is therefore a necessity that the struggle and economic cooperation between the Asian countries in the field of economy must be upgraded to joint action between the AA countries by holding an Afro-Asian Economic Conference which creates economic relations between these countries.

On this question I would like to support the idea to have an Afro-Asian Economic Seminar in Algeria on a non-governmental level. This action if realized could strengthen the Afro-Asian solidarity of the peoples in fighting imperialism colonialism and neo-colonialism.

Our duty is to support and help with all our might the, realisation and success of the forthcoming AACC II, in accordance with the principles of Bandung and in line with the plans which were prepared by the MMAA II Djakarta recently.

The other positive aspect is the increasingly greater awareness among the AA countries on the necessity to build the national economy based on self-reliance. Because, "no matter what nation it may be, it cannot build an independent state without a self-supporting foundation of its economy, nor can it achieve the consolidation and development of the country and its prosperity."

Premier Kim Il Sung of Korea has once said very correctly: "In order to build a democratic state the foundation of a self-supporting economy of the nation must be established. Without the foundation of a self-supporting economy we can neither attain independence nor found the state nor subsist".

One of the neo-colonialist weapons of the imperialists is the so-called "foreign aid". It is not saying that the newly independent countries in Asia do not need modern technique and skill from abroad, foreign loans and increase in their foreign trade. But following the path of self reliance in the national economic development of respective countries all resources from abroad should be only an additional factor.

Peoples of the recipient countries, for instance Indonesia have many experiences in foreign aid. There is always a great difference between imperialist foreign aid and fraternal foreign aid from friendly countries based on equality and mutual benefit. I have mentioned before that USA "foreign aid" has caused a bitter experience to the Indonesian people and other countries in Asia. Political and economic pressures are always integrated with the imperialist foreign aid.

Besides the imperialist's type of "foreign aid" there are also proofs of fraternal foreign aid based on equality and mutual benefit. Some recipient countries, among others Indonesia, have noted the beneficial foreign aid from some socialist countries particularly from the People's Republic of China. The well known eight principles of the Chinese Government for its foreign aid to foreign countries, as was said by Premier Chou En-lai during his recent tour to Asian-African countries, are not merely a desire but have become a reality. For information I quote the eight principles for Chinese foreign aid. The eight principles: quoted from the Peking Review No. 18, May 1964.

1. The Chinese Government always bases itself on the principle of equality and mutual benefit in providing aid to other countries. It never regards such aid as a kind of unilateral alms but as something mutual.

2. In providing aid to other countries, the Chinese Government strictly respects the sovereignty of the recipient countries, and never attaches any conditions or asks for any privileges.

3. China provides economic aid in the form of interest-free or low-interest loans and extends the time limit for the repayment when necessary so as to lighten the burden of the recipient countries as far as possible.

4. In providing aid to other countries, the purpose of the Chinese Government is not to make the recipient countries dependent on China but to help them embark step by step on the road of self-reliance and independent economic development.

5. The Chinese Government tries its best to help the recipient countries build projects which require less investment while yielding quicker results, so that the recipient government may increase their income and accumulate capital.

6. The Chinese Government provides the best-quality equipment and material of its own manufacture at international market prices. If the equipment and material provided by the Chinese Government are not up to the agreed specification and quality, the Chinese Government undertakes to replace them.

7. In giving any particular technical assistance, the Chinese Government will see to it that the personnel of the recipient country fully master such technique.

8. The experts dispatched by China to help in construction in the recipient countries will have the same standard of living as the experts of the recipient country. The Chinese experts are not allowed to make any special demands or enjoy any special amenities.

Being economically self-supporting is the firm basis for political independence. To rely on foreign powers or to go begging to the imperialists is not the way to full independence but the contrary, since economic dependence also means political

dependence and become the easy victim of the imperialists, who with all ways and means are trying to seek the weakness of those economically weak countries.

In conclusion, it is only by standing on the basis of self reliance in the struggle for full economic independence of the Asian countries, only by possessing political sovereignty and maintaining one's own personality in the cultural field that we can achieve success in eradicating imperialism. Lasting peace in the world is only possible with the disappearance of imperialism, colonialism and neo-colonialism from the face of the earth. For this purpose world peace must be won by promoting the people's movement in Asia and other continents, not to hamper people's revolutionary struggle to destroy the direct and indirect rule of US and other imperialism, by genuinely fighting the military aggression and intervention of the US imperialists and their lackeys and by not surrendering to the threats of the nuclear barons. The task of fighting imperialism is one with the task of winning economic independence by standing on one's own feet.

The imperialists could never turn back the clock of history, and the clock of history is sounding the death toll of imperialism. The present popular slogan of the Indonesian people may well serve as the slogan of every fighting man: Onward! No retreat. Long live the Pyongyang Economic Seminar.



## AHAMED FADILLAH (N. Kalimantan)

Permit us, that we on behalf of the people and the Revolutionary Government of the Unitary Government of The Unitary State of North Kalimantan would like to express our gratitude to The Asian Economic Bureau and the Asian Economic Seminar Committee for the honoured invitation given to our delegates to attend this Second Economic Seminar in this lovely land of Korea and to the heroic people of Korea: I wish to add, according to the Reports of our comrade from Korea and of our friend from Indonesia, how the imperialists led our country into misery and how new colonialism continues to exploit our land and people for the British and U.S. imperialist profits, by giving so-called aid and by capital investments. It is necessary to emphasize that the main aim of the struggle of the North Kalimantan (NK) people now is the physical struggle against imperialism, and colonialism, to erect a real full national independence according to the famous Ten Principles of Bandung, which we hope is not only for our people in NK but also the aim of the whole Afro-Asian progressive peoples.

We people of North Kalimantan love peace, security, prosperity and justice,

Our country has been occupied for more than 110 years by British imperialism and by that could be understood the bitter experiences of the people of NK so similar to the experiences of the other AA and LA peoples when ever occupied by brutal imperialism and colonialism: During the occupation by British neo-colonialism, the natural wealth, the earth and the air of NK have been dominated and ruled by the investors, which by all means in great numbers are handled and controlled directly by the British imperialism, and the homeland and the people of NK have been exploited. Our people are used as tools to dig the natural wealth, their sweat, blood, tears, pains are all fully exploited only for the profit of the great capitalists. People who become workers could not be assured to live as human beings, and there is no prosperity, which is the heritage of normal and ordinary peoples. They are considered like people who do not need justice and humanitarianism. In order to get cheap labour

the British capitalists have made a policy through the colonial government and its puppets to suppress education expecting them to be not only stupid but to have no political consciousness. But in this present time the wicked theories of colonialism are exploded. The peoples of AA and LA have awakened and arisen for they have great political consciousness and desire to abolish and kick out imperialism and colonialism from the earth of AA and LA and build independent states!

As a matter of fact, there are still many AA and LA and countries which already have got their independence, the phase of political independence but economically they are still dependent. This seminar is to promote not only the solidarity of AA and LA peoples politically but also economically. We agree with the report on the first item by our Korean friend yesterday advocating independent national economy as a national task for consolidating political independence. Experiences show that it is impossible to consolidate political independence without economic independence.

The Economic Seminar held now is not only participated by the Asian but also by African peoples, and even from Australia and New Zealand of Oceania. In our principles we are approaching economic stabilization for AA and LA countries.

To solve such great economic problems as we have to face, there are ahead of us, many difficulties and hindrances created by the reactionaries and the imperialist powers!

But we are sure and convinced that the public consciousness of AA and LA peoples are not able to be dominated any more by the imperialists! As a proof of this great AA and LA solidarity we have overthrown many colonialist powers and there are many new independent countries appeared in AA and LA. As we have had all common experiences of the political struggle of AA and LA peoples, who have passed many kind of sufferings and difficulties under the stresses of the colonialist weapons and military powers, while the AA and LA peoples have fought heroically against colonialism without any cannons and atomic bombs. But the AA and LA peoples have powerful weapons: conviction to gain victory, unity and solidarity.

As we have mentioned above for the people of NK and also for all peoples who love peace, security, prosperity and justice, these can only be achieved if there is no more imperialism and colonialism, either in the old or in the new form, and no exploitation of nations by nations and no exploitation of men by men on this earth.

*Dear comrades-in-arms!*

In the period of the struggle of the people of NK which has taken tens of years, we in the beginning did not want to take to armed uprising. The proclamation of Dec. 8, 1962 hailed by the whole world all at once caused a very complex revolution. The physical revolution, political, cultural and economical revolutions, made the British colonialist and its puppets panic. This proclamation was made by Premier A. M. Azahari from the Revolutionary Government of the Unitary State of North Kalimantan. To support the Proclamation of Dec. 8, 1962 after we had failed through the evolutionary process we were forced on to the revolutionary process. Constitutional and parliamentary struggle proved of no avail.

And the Premier Azahari himself, as chairman of the team, had made direct negotiations with the British Government in London but always met with failure because of stubborn British imperialism. So, the proclamation of the Dec. 8, 1962 was a very spontaneous explosive revolution.

The capital and the interests of British and other foreign capitalists, also the domination of one group by another group makes the armed struggle become more dangerous; also because of the dirty way the British masked the regime of Tengku Abdul Rahman, Putra Al Haj the Prime Minister of Federation of Malaya, to camouflage colonialism. The British Government had understood that the people of NK. want independence as a unitary country. But as the British government had known that the leaders of NK. are progressive revolutionaries they are considered as dangerous persons for British investments in NK. So British imperialism worried about giving independence to the non-cooperation leaders.

So in the best way according, to British opinion and to protect their economic and military interests in South Asia they used the puppet called Tengku Abdulrahman who as a tool hailed the neo-colonialist British project "MALAYSIA". However the British and T. Abdulrahman knew that the peoples of NK are not to be treated as toys to be moved from one box to another but they are still continuing their neo-colonialist policy without paying any attention to the demands of the peoples of NK.

Also, without paying any attention to the demands of history, after the peoples of N. M. failed to fight against the British colonialism and neo-colonialist British project "Malaysia" constitutionally the leaders of N. K. attempted through U. N. O. asking for help for the people of K. U. to get their full independence and self-determination, according to UNO resolution of 15/4/1960. We sent a memorandum to the Secretary General of UNO but it's a pity he didn't care for the memorandum we sent (copy attached). After we waited for a certain period, our struggle through UNO also failed, because of the great influence of the British. Meanwhile the target of the formation of new colonialist "Malayasia" became closer and closer, so there was no other way for N. K. peoples but to fight until the proclamation of 8th Dec. 1962 was born. And even now the Revolutionary Government of Unitary State of NK, under the Premier A. M Azahari, still has sovereignty in the land of N.K. and is supported by more than 85 per cent of the people of NK, who love peace and freedom for their country. While armed forces and the power of the National Army of U. M. and also the fighters become stronger and stronger and are doing better, the fight becomes more terrible. The British forces have never announced to the world about our revolution, but as a matter of fact there are many so-called Malaysian and British soldiers who have become war victims. British forces come in to NK every month, battalion by battalion, to replace those who died and are wounded in the guerilla battles. The struggle of the people gets more and more because of the bad manner and inhuman action of the colonial soldiers who also terrorise the people of NK and the fighters. The colonialist soldiers burn down the suspected villages, women are raped, many children become orphans. Properties and cattle of the people are destroyed



or robbed. Political parties who are against the formation of British Malaysia in NK are suppressed and public meetings are forbidden.

Secret murders, violations, jails full of the fighters. These are all against the laws of humanity. But to us the fighters we have a conviction and belief that we will get full independence and final victory for our people and nation. It is true that after the proclamation of 8th Dec. 1962 there is a very terrifying transition in political revolution and physical revolution in South East Asia. Now the world has to open its eyes to what really has happened, because the self-determination of the people of NK is violated and raped.

Certainly the economic revolution is parallel with the physical and political revolutions. In the Provisional Constitution of the Government of Unitary State of NK in Chapter XIV article 33, (In order to guarantee the well-being of Society) states:

- (1) The economy shall be built up collectively and be led by the State.
- (2) All production that is important for the State and that constitutes the necessities of life for most people shall be fully controlled by the state.
- (3) Land and water, the natural riches therein belong by right to the State and shall be utilized to the full for the well-being and prosperity of the people.
- (4) All citizens who are unable to do any work as a source of livelihood because of some affliction or from old age and who live in poverty and misery shall be the responsibility of the State under regulation of a special law.

So it is clear that the Young Revolutionary Government of Unitary State of NK is also thinking and taking care of the people's sufferings as the result of British colonialism. Economic power in NK during the past was held 95% by the foreign capitalists and dominated by certain groups and then continued by the neo-colonialist project, British "Malaysia".

We of course realise that Malaysia is not able to improve the social economic life in NK, on the contrary it makes more burdens, besides high taxing of the people. The neo-colonialist project, Br. Malaysia, is resisted by the people of NK without fear of British weapons and their hired soldiers. But because of the mental unity and deep nationalism and patriotism there is the conviction that the final conquest to gain the aim of the revolution is just a matter of time only and that this neo-colonialism must be crushed. Through the loss of life the people of NK mark the puppet and the British colonialist itself release their last colony in South East Asia. The misery of the people will bring revolutionary unity and it is the duty of the people of NK to liberate the chains of neo-colonialism with support and solidarity from NEFO countries and peoples from all over the world.

The figures which indicate the balance between export and import, the production of NK during the government of British colonialism, were false statistics, intended to show that British colonialism and its puppets are doing their duty to provide the prosperity to the people of NK. But they could not close the eyes of the intellectuals. They knew that social and economic life of NK was of low quality, under British colonialism. The Revolutionary Government of unitary state of NK knows about this, and the NK people understand their duty to the revolution and have fought to protect the masses of the suffering people as already mentioned in the proclamation.

The exports from NK are high quality minerals such as: oil, diamonds, gold, bauxite, silver, and some other minerals. Forest products: high quality woods to the lowest quality are exported in million tons every month, also rattans, resin, sago, animals and their skins, cutch, rubber, palm, etc. All these make the capitalist richer, but the people of NK live in misery.

The plantation products such as pepper rubber, tobacco, uncaria, palm, corn, rice and sea products like fishes and pearls and other minerals all are exported, taken by British colonialism and the people of NK get poorer but the British capitalists and other foreign capitalists prosper. The high land taxes made the land belonging to the people get smaller. We have said that the

educational system is very poor; besides the lack of schools the quality of the school doesn't reach the standard suited to the social system. We have only a few secondary schools and high schools. We never had a university; studying abroad is mostly on one's own account, and of course only a few men are able to send their children abroad.

The struggle to improve social and economic life of the people is the important duty of the government of NKKU, to achieve equal level with any other independent country, to fulfil independence. This national resurgence is a very hard blow from the last British colony in South East Asia. The people and the Revolutionary Government of the Unitary State of the NK will do the very hard tasks for better social life in order to complete the revolution, as mentioned in the political manifesto of NKKU which is as follows:

Every citizen of North Kalimantan is aware of the fact that during the English colonial rule the economic life of the people was bad and that in that period the people did not possess a compass after which to channelize and organize their economic system. As a consequence the social and educational position of our people were also damaged. The English and other foreign monopolists, however, controlled the economic life and thus possessed a strong economic position. Being in a very bad economic position our people were not capable of gathering enough mental strength to improve the position of our national economy. The government will set up a programme which will serve as an official compass to guide the people in their struggle to strengthen the economic position.

The government will send as many students as possible abroad to study in various fields, for example in the field of technics, agriculture, finance, administration, cattle breeding, forestry, medicine, etc.

Having the cadres and skilled personnel we shall be in the position to build up a constructive and productive national economy, after the achievement of which our people and nation will be just and prosperous.

This is one of the economic aspects in our country of the neo-colonialist system, which is now fought by the people of NK,

We never forget our gratitude to the peoples and the governments of NEFO who have supported spontaneously our revolution and our national struggle especially from AAA countries. Moreover to the government and the people of Korea who clearly have a will and send their volunteers to crush the new colonialist project "Malaysia" which has been mentioned by the speaker of the parliament's delegation of D. P. R. K. to Djakarta.

We fully support the struggle of the peoples to make national unity out of dissension caused by imperialist and colonialist influences.

We certainly support the struggle of the people of Vietnam to get their 100% national independence, also the fighting people of Angola, people of Mosambique, people of South Africa, people of Basutoland, Portuguese Guinea, South Rhodesia, Malaya, Singapore, Yemen, South Arabia, to win their full national independence and the prosperity of the people of Africa and Asia.

We certainly condemn and denounce the intervention of the imperialist in African and Asian countries, especially they who want to destroy the freedom of Asian and African people. We demand that every problem between the A. A. people must be solved by negotiation or discussion by AA people themselves without the interference of foreign peoples, especially the imperialist and the capitalist with their stringaid. Once again we appeal to your governments and your peoples to render their full support concretely to the struggle of the people of NK and to recognize our revolutionary government. Let us fight against imperialist forces with our forces, without doubt. Let us fight against imperialist culture with our national culture derived from the glorious and majestic history of Africa and Asia. Let us fight against imperialist capital, which aims only to get great profit from our country, with our honest collective capital and our close solidarity.

With our consequent solidarity we can consolidate the struggle and organization of AA peoples. By strong will the revolutionary AA peoples are able to build their independent

national economy and related economic cooperation, based on the 10 principles of Bandung of equality, mutual benefit for full independent countries.

Long live the solidarity of NEFOS peoples !

Long live and success to the second economic seminar!

Long live the heroic Korean people !

Long live the people of NK !

Long live Prime Minister Kim Il Sung and Prime Minister

AZAHARI !



## NGUYEN THI BINH (S. Vietnam)

In the name of the Afro-Asian Solidarity Committee, we address our warmest salutations to the delegates taking part in this 2nd Asian Economic Seminar.

We are happy to convey, on this occasion, the fraternal greetings of 14 million people of South Vietnam to the Korean friends, to the heroic people of Chullima. And we express our heartfelt thanks to them for so cordial and careful a welcome they have accorded us.

Being fully in accord with the spirit of the reports of our friends, our delegation would like to show you an example of the worst case of extreme damages colonialism ever does to the economy and sovereignty of the Asian and African countries.

We all know that the final motive of imperialism is the subjugation and exploitation of the peoples. It may draw back and agree to political concessions in the face of the national liberation movement, yet it on the other hand seeks to preserve and perpetuate its economic privileges by all means. New colonialism which U.S.-led imperialism activates is nothing but a colonial economic policy which is better camouflaged and more perfidious. South Vietnam has suffered enough to understand the matter. After nine years of a fierce armed resistance, the Vietnamese people put an end in 1954 to an almost century-old French colonial domination, and had the Geneva Agreement signed. In the northern part of the country which was thoroughly liberated, our compatriots have again become the host of their destiny, building with ardent zeal a life of happiness and welfare. In the Southern Zone, however, things are quite different. Having driven out their French rivals, the U.S. imperialists have been trying for ten long years to turn South Vietnam into a new-type of colony and a military base of the United States, with the wish not only to plunder the wealth of our country but also to carry out their aggressive and bellicose policy in Asia and in the world. A most cunning way of intervention is being adopted by out-right and simple aggressions in the form of "special, murderous and devastating" war of subjugation.

The American action is being taken first under the cloak of political, military and economic "aid" 3,500 million dollars of aid in ten years have made South Vietnam the biggest Asiatic recipient of American "aid" and one of the most subjugated countries in the world. Most part of this "aid" (80 to 90 per cent) is assigned to the maintenance of a repressive apparatus, a puppet regime whose sole mission is to facilitate aggression and whose puppets appear and disappear at the will of their boss. The "American aid" has resulted in the forming of a huge war machine: 25,000 U.S. officers command half a million of mercenaries well equipped with weapons of all types illegally shipped into our country.

"American aid" has made Washington practically the master of the administration and military operations through the network of U.S. advisors placed in all the domains and at all levels. They supervise the construction of thousands of concentration camps camouflaged under the name of "strategic hamlets", and more recently "new life hamlets", where the barbed-wire entanglements and ditches pen up millions of patriots isolated.

The rest of the credits allocated to Saigon carry the name of economic and technical "aid". Its role is to subjugate the national economy of South Vietnam by causing the ruin of its agriculture and stifling its craftsmen and weak industry. Our country is meant to serve as an outlet for the American surplus agricultural and industrial products, and constitute a profitable market of investment for the U.S. monopolies.

American "aid" has made it possible to go over to a sham agrarian reform in order to help feudal exploitation in the countryside, to place it on the footing of "co-operative", and "land credits", which are to play the only role of intensifying coercive measures in political and financial affairs against the peasants and craftsmen who are regrouped to facilitate the machinations of the U.S. imperialists and their lackeys: clean sweep of capital and agricultural products, exploitation of labour power, speculation.

According to October 27, 1960, issue of the "Chan hung kinh te" (Economic Promotion), published in Saigon, the Ngo Dinh Diem regime, in three years with the initial capital of 800

million piastres, succeeded in the feat of strength of issuing loans totalling 2,000 millions which, after the payment of 86 per cent of them, left to the creditor still 1,175,743,876 piastres! This fact alone is enough to inform against the unbelievable usury practices with regard to agriculture,

Under such circumstances it is not surprising that most of the peasants have been ruined. The puppet regime only welcomes their ruin and sends them to the "agricultural colonies" and the "zones of prosperity" built with the credits of American "aid" with a view of facilitating private capital investments, availing itself of the ridiculously low prices of the starving labour power and to using them as logistic bases for the aggression.

Tens of thousands of hectares of rice-plantations have been turned thus into industrial crop fields without caring about anything else than exploiting the maximum the country's resources in the interest of America, and creating a vaster outlet for agricultural produce of the United States. The Times of Vietnam official organ of the Saigon authorities, did not refrain from writing in 1958: "The United States will not approve the extension of rice production, because it will mean grain surplus.'

Another fatal disaster to the South Vietnamese farming is the "priority aid" which is in conformity with the concentration of population and construction of the "strategic hamlets". They make havoc of the houses and lands of millions of the peasants and then pen them up by force behind the barbed-wire entanglements where a life of misery, devoid of all the means of normal subsistence, is waiting for them. Thousands of hectares of arable lands have thus been laid waste, and the labour force in the countryside is dilapidated. South Vietnam which used to export annually more than one million tons of rice has been reduced to such a state that in 1962 it had to import 100,000 tons of rice in addition to tens of thousands of tons of American flour. The state of war, the systematic pillage and the massacre of peasants have rendered agricultural production very unstable, inevitably resulting in suspension and ruin in the economy of South Vietnam.

The American "aid" also plays havoc with the home industry and manufacturing industry of our country. The South Vietnamese market is flooded with the American surplus goods



which are attendant on the "commercialised aid" which gets into life-and-death competition with the local products, when the foreign trade is obliged to limit itself to exchanges with the United States and its satellites. These highly industrialised countries buy from Saigon only raw materials at the cheapest prices resulting from the absence of competition. The exports of South Vietnam are equivalent barely to one-third or one-fifth of its imports. The "commercialised aid" also drives local manufacturing industry into an impasse. The sugar refineries and the textile mills have been hit hardest; the ceramic, tobacco, match-making and other industries are also falling into stagnation. The factories and mills and workshops are being closed down one after another, leaving thousands of workers out of job, while the enterprises controlled by the American capital and managed by the Saigonese authorities shamefully flourish.

From 1958 till 1963 the foreign investments, American for the most part, reached 3,919 million piastres which were portioned out to 361 firms. From 1958 to 1960, 2,879 million piastres, or 70 per cent of the gains, were taken away to America. As the United States has reserved to itself the control of the allocation of raw materials to the local industry, the American capitalists have pocketed still more substantial amount of profits through the distribution of the money.

The "U.S. aid" has tied the piastre to the dollar, which is a terrible instrument of enslavement. The sales of the merchandise of the "commercialised aid" should all be put in a special cash-box which has become, by acquiring importance, a major trump card for relentlessly dominating the local money. It is understandable that the piastre loses its value every day, which leads to rise in the prices and living costs.

In brief, U. S. imperialism uses in South Vietnam its policy of "assistance" to seize the levers of control in all domains, economic as well as military and political. When the most cunning methods of penetration had proved to be ineffective in cheating the people of South Vietnam, Washington resorted without hesitation to the most brutal methods of war of aggression to impose its domination.

Also, since 1961 South Vietnam has become a theatre of special "war," the biggest and the most sanguinary at the present time throughout the world, Sowing ruin and sorrows all over the country, the American militarymen and their mercenaries have launched hundreds of thousands of raking operations, dropped tens of thousand tons of bombs on our villages, devastated our culture and injured the health of our fellow countrymen by spraying poisonous chemicals, imprisoned and tortured hundreds of thousands of people...

Checked by the vigorous patriotic struggle of our people in spite of all the ferocious means employed, and driven from one defeat to another, the U. S. imperialists, far from renouncing their aggressive policy, are recklessly attempting to intensify the war in their effort to get out of the tight cornea. The President of the United States Johnson and his State Secretary have many times declared their decision to step up their aggression of South Vietnam and even to extend the war to North Vietnam. Recently 4,000 U. S. officers landed in Saigon, bringing with them about 30,000 U. S. troops. New contingents of air force and army and munitions including napalm bombs, phosphoric shells, poisonous gas shells have been introduced into our country. The American government has also decided to give another 125 million dollars of military aid to South Vietnam. In an attempt to get out of the political isolation into which they have been driven by the protest of the public opinion of the world, they are bringing pressure to bear upon their partners of the SEATO and even of the NATO to make them join them in their criminal undertakings in South Vietnam. Their recent intrigue is an attempt to use the U. N. as a cover for their intervention in south Vietnam and Indo-China, their intention being the repetition of their recent crimes in the Congo and Korea.

The U. S. imperialists and their new placeman Khanh-Hoan are seeking, on the other hands, to step up their acts of sabotage and provocation against North Vietnam, repeat their acts of violating the Cambodian frontiers, resume the civil war in Laos.

All their manoeuvres inspired by Washington, constitute so much imminent danger of extension of the war to all countries of the Indo-Chinese peninsula, and present grave menace to peace

in Asia and the world. The hideous face of the bellicose and aggressive U. S. imperialism is being exposed more and more apparently in the eyes of the peoples. The Central Committee of the National Liberation Front of South Vietnam, in its declaration of May 23, 1964, renounced vigorously the acts of intervention and the intensification of the aggressive war by the U. S. imperialists and appealed to the peoples of the whole world to exert themselves to put a check on the adventurous policy of the American government. The National Liberation Front maintains once again that the only solution for South Vietnam lies in the withdrawal of the American imperialists from South Vietnam and in the immediate cessation of the war in order to enable the people of South Vietnam to decide their destinies for themselves. Should the government of the United States persist in this erroneous course it is clear that all the reckless acts on its part would meet immediately with the fierce rebuff of the entire Vietnamese people, of the peoples of Indo-China and Asia who are fighting resolutely for their liberty and independence. U. S. imperialism will never be able to escape a crushing defeat.

Neo-colonialism and U. S. imperialism, engaged in armed intervention and economic penetration, have caused indescribable sufferings to our people.

But, far from coming to their knees, our people have realized that to escape the fate of slavery, there is no alternative but to destroy the hydra of neo-colonialism and to regain national independence by driving out the aggressors from our territory. Under such circumstances alone can we build a completely independent economy and achieve the well-being and happiness of our people. Proceeding from these considerations the broader social sections of South Vietnam have rallied their ranks around the National Liberation Front to fight unyieldingly for the triumph of this slogan: Independence, democracy, peace and neutrality to march towards the peaceful reunification of our fatherland.

Great successes have been achieved in recent years thanks to this firm determination of the South Vietnamese people. A new life has been built up in the liberated area occupying two-thirds of the territory and inhabited by a half of the total population. Even the war could not prevent the National Liberation Front

from laying the foundations of an independent economy which is today capable of satisfying the demands of the revolution and the needs of the population, and it will enable us tomorrow to accelerate the economic development of the country. Out of a total of 3.5 million hectares of paddy fields, two million hectares have been distributed to the peasants. The National Liberation Front leads the people to increase the annual crop yields, improve the irrigation networks, and restore the home industry on its ruins. Furthermore, in spite of the enormous devastations wrought by the war, livelihood in the liberated areas occupied by the enemy. That is one of the reasons which fortify our confidence in a regime where the people are the host.

In its Declaration, the National Liberation Front has also defined its economic policy: suppression of the economic monopoly of the U. S. imperialists and their agents, confiscation and nationalisation of their property' upbuilding of an independent economy to serve the interests of the people and the nation. In regard to the question of exchanges, the National Liberation Front provides "to accept the economic aid of all countries willing to give us assistance without political strings attached, to develop the commercial exchanges with all countries on all equal footing in accordance with the principle of mutual advantage."

The struggle of the people of South Vietnam for liberation and for political and economic independence, is an integral part of the national liberation movement of the Afro-Asian peoples. It is conducive to curbing neo-colonialism of U. S. imperialism and frustrating its perfidious and inhuman design to make our country a testing ground for the special methods of war aimed at the repression of the liberation movement of the peoples of Asia, Africa and Latin America. That is why our righteous struggle enjoys more and more active support from the peoples of the world, particularly the people of Asia and Africa.

Under the wise direction of the National Liberation Front, the only genuine representative of the peoples of South Vietnam, our resistance struggle is gaining momentum from day to day. We can affirm that neither the increase of "U. S. aid", nor extension of the war, nor all other kinds of perfidy and atrocity will be effective enough to deprive the Vietnamese people, given solidarity by all peoples, of their final victory.

Ladies and Gentlemen,

It is no secret for anyone that U. S. imperialism has designs on South Vietnam as on other Asian and African countries, seeking to establish its hegemony there by all means. We also think that to achieve an independent economy, to put our resources and our labour in the service of our peoples, we must cement our unity and resist by all means, including armed struggle, the forces of the imperialists headed by the United States.

South Vietnam considers it to be her sacred duty to support all the liberation struggles of the Asian, African and Latin American peoples. We warmly approve the settling of Asian into a zone of peace with independent economy where all the countries co-operate on a footing of equality, observing the principle of mutual benefit in a veritable spirit of assistance.

We approve and support without reserve the convening of the Second Conference of the Asian and African countries and consider that this will be an event of considerable importance in the political life of more than one thousand millions Asians and Africans which we are.

We hope that the full success of the present economic conference of the Asian countries will contribute to the construction and development of economy of the Asian and African countries. And we wholeheartedly wish our Korean friends under the brilliant leadership of Premier Kim Il Sung greater success in socialist construction of the country and complete victory in their struggle for the country's unification.



## DUONG VAN DAM

(D. R. of Vietnam)

In the face of the mounting revolutionary movement of the peoples the world over, especially of the national-liberation movement which sweeps across Asia, Africa, and Latin America, like a whirlwind, imperialism headed by the U. S. meets with successive and acute failure and is now sliding down the slope of decadence that nothing can save. In their convulsion of agony, the imperialists become more wicked and rash, they hurl madly into the extremely dangerous manoeuvre with the aim to wreck the independence and sovereignty of the peoples, to sabotage peace and security of the whole world.

As you all know well, since the signature of the Geneva Agreement of 1954, which recognizes the sovereignty, independence and territorial integrity of our country, thus the Vietnamese people of the North as well as of the South, could a quiet and happy life in the peace to build our country. But the American imperialists and their agents have deliberately violated the Geneva Agreement. With the treacherous intention to cut our country into two, they have carried out aggressive war – most dreadful and barbarous in the South of our country.

The delegates of the National Liberation Front of South Vietnam have spoken quite in detail about the ten years of this firm struggle against the American imperialists.

Actual evolution of events in South Vietnam foretells in a sure way, the inevitable defeat of the American imperialists in the so-called “special warfare” which they are experimenting in the South Vietnam, with aim to suffocate the patriotic struggle of our compatriots for national emancipation, and to transform the southern half of our country into a military base and a new style colony of American imperialists.

The American imperialists are soliciting their allies to send aggressive troops to the South Vietnam. The military conference Convened by these blood thirsty U. S. imperialists leaders, in Honolulu at the beginning of June this year has discussed the

problem of spreading out the war in the South Vietnam and has manoeuvred to extend the war into North Vietnam, expecting to sabotage the peaceful unification and the quiet happy life of our people.

What happens in the South of our country, happens likewise in the South of Korea, the American imperialists have committed and always commit innumerable crimes towards the people in South Korea. They commit, in close collusion with the clique Park Jang Hi, everyday the massacre, slaughter and plunder against the people in South Korea. Their barbarous doings have roused fierce resistance of all the people in South Korea. The very heroic revolt movement of the youth and students in South Korea develops strongly.

In Laos, the American imperialists used their lackeys to make a coup d'etat, placing the Prince Souvanna Phouma under their hold, sabotaging the national coalition government formed by three groups. They have also sent their jet planes flying from the bases of the Fleet to drop series of bombs on Khang Khay, Phonsavane, Xieng Khong, have brought to Laos the troops of satellite countries, have sabotaged shamelessly the Zurich Agreement, Plan of Jarres Agreement and the Geneva Agreement concerning the Laos, thus making aggression openly against the Laos. The American imperialist and their lackeys carry out continuously the acts of provocation and threats of aggression against Cambodia, sabotaging the independence and the neutrality of Cambodia. The American troops, still occupy Taiwan, territory of People's Republic of China, they occupy Okinawa which belongs to the Japanese people, they help the British imperialists to establish the Federation of the great Malaysia in the view of maintaining their privileges there and making it a bridge-head to attack the national liberation movement in the Southeast Asian countries.

The imperialists, with American imperialists as ring-leader carry out aggressive intervention in many countries of African continent, such as Congo, Angola, Cameroons, etc.

American imperialists hold the Latin American countries under their direct influence.

It is very clear that the imperialists, headed by American imperialists, have decided to get hold of the Asian, African and Latin American continents. Beside the aim to maintain their colonial rights and privilege, they want to monopolize the markets, the raw material sources, and to establish the military zone and political influence in their favour. They still try to hinder the movement of the people's struggles in these continents and to transform these vast regions into bases for preparing the war. The imperialists have decided never to abandon their colonial aim; because colonialism is one of the essential bases of their existence and of their domination upon other people.

At the present juncture when capitalism has entered a period of new general crisis, the internal contradictions of imperialism have become more acute than ever and, therefore, the imperialists are trying to practice neo-colonialism, thinking it the most effective means of saving themselves from ruin. They resort to the following practices: direct investment of capital, "economic and military aid," establishment of military blocs.... formation of a new social section to serve them as a prop, buying of a certain number of person to serve them as puppets, all-out subversive activities, staging of coups d'etat and, in case of need, unhesitating employment of wars of aggression and conduct of the so-called "special war" or "local war" for the savage repression of the resistance of the peoples, maintenance of their economic, political and military domination over the countries of Asia, Africa, and Latin America.

Thus, it is very clear that the peoples of Asia, Africa and Latin America confront not only the question of building their economy but also a no less important question, and this question is to concentrate all their forces combating and destroying neo-colonialism, completely accomplish the struggle for national liberation and democracy, and build an independent national economy.

We propose that our Asian Economic Seminar express its resolute support to all the just and fierce struggles of the people of Asia, Africa and Latin America against all types of imperialists and colonialists.



On their part, people and government of the Democratic Republic of Vietnam always approve and support the peoples of Asia, Africa and Latin America who have risen in a vigorous struggle against imperialism headed by U. S. imperialism and old and new colonialism, for achieving their national liberation and defending their independence and sovereignty.

Our people always stand by the fraternal Korean people in their patriotic and legitimate struggle for driving out the American imperialists from South Korea and achieving by themselves the peaceful unification of the country.

We energetically support the struggle of the Laotian people for frustrating the sabotaging manoeuvres of the American imperialists, for safeguarding the Geneva Agreement of 1962 on Laos, for defending the coalition government of three factions and demanding the convocation in the immediate future of a conference of fourteen countries for the settlement of the Laotian problem.

As ever, we support resolutely the fraternal people of the People's Republic of China in their struggle for restoring Taiwan, an integral part of the Chinese territory.

We fully approve the firm position of the royal government of Cambodia which defends its independence and neutrality.

We support in one accord the Indonesian people their struggle against imperialism for the defence of their independence and sovereignty and for checking the machinations of the imperialists to set up the Great Malaysia.

We ardently support the struggle of the Japanese people against the domination of the American imperialists and for the restoration of Okinawa.

We think that in the face of the common enemy—imperialism headed by U. S. imperialism, the people of the Asian, African and Latin American countries should unite more firmly and help each other in the struggle against it.

We warmly support the convocation of the Second Summit Conference of the Asian and African countries which is of great significance in the common struggle against imperialism and colonialism.

We North Vietnamese people who are engaged in socialist construction in the Democratic Republic of Vietnam, always keep vigilance and resolutely fight against the American imperialists for defending the gains of our revolution. We always stand by our brothers and sisters of South Vietnam in their struggle for independence, democracy, peace and neutrality, and for finally achieving the reunification of our country.

Our delegation would like to avail itself of this occasion to express its heartfelt thanks to the fraternal people of the socialist countries, to the peace-loving peoples the world over, and particularly to the peoples of the Asia, Africa and Latin America who have resolutely supported the just struggle of our compatriots in the South for liberation, the struggle of the entire Vietnamese people for the realization of the peaceful unification of the fatherland.

Long live the solidarity of the peoples of Asia, Africa and Latin America in our common struggle against imperialism and old and new colonialism.



## SA-ING MARANG-KUL (Thailand)

On behalf of the Thai delegation and in the name of the patriotic Thai people, I pay high regard, to the Korean people who displayed a brave and heroic spirit in the fight against imperialism and who hold consistently to the spirit of self-reliance and an indomitable spirit in the up-building of their country.

The Thai delegation, like the delegations from many other countries, give unqualified support to the convocation of the present Asian Economic Seminar.

The Thai delegation approves the reports made by the D. P. R. K. delegation and the Indonesian delegation respectively. The state of affairs outlined and the views and assertions put forth in the reports are in complete agreement with the present state of affairs in Thailand and the aspirations of the broad masses.

Thailand is a rich country and has been called the "Home of meat and rice in Asia." Thailand is favoured with rich natural resources, fertile lands and agreeable climate, and its people are industrious and courageous. Thai rice, rubber, teak, tin and many other minerals are widely known throughout the world. As is shown by the inscriptions on the old stone monument erected by our forefather Khun Ram Kam-haeng, "Thailand is really good. There are fishes in the water, grains grow in the fields, and a bright smile is beaming on people's faces."

This shows that our country has many favourable conditions for developing economy and building a beautiful life of the people.

However, realities belie this possibility. Thailand today is a backward, poor agricultural country and the majority of its people are stricken by hunger and poverty. Especially since the Sarit-Thanom clique seized power in 1958 under the manipulation and patronage of U.S. imperialism, situation has taken a turn for the worse. State coffer and economy slid headlong

toward bankruptcy, and the life of the people of the "Home of meat and rice" has been further impoverished and become agonizing.

Such state of affairs is attributable to the fact that the state power fell into the hands of the Sarit-Thanom fascist, dictatorial, traitorous clique, the U. S. imperialists' lackeys who lord it over the country and persecute the people, and that U. S. imperialism is again controlling, plundering and enforcing neo-colonialist rule over Thailand through the reactionary gang who have been reared by them.

Here I wish to recall a sidelight from the pages of past history.

Immediately after the second world war Thailand was faced with the danger of being invaded by British imperialism. Then the crafty U. S. imperialism, on the plea of defending the national independence of Thailand, set foot on this country, putting on a hypocritical mask, and thus took the place of old colonialism.

Then, in 1950, they saw to it that the so-called "Thai-U.S. Agreement for Economic and Technical Co-operation" and "Agreement on Military aid" were concluded by coaxing and blackmailing the then Thai rulers and thus they began to enchain Thai. Shortly afterwards, they inveigled Thai into the "Seato" and have been openly pursuing the policies of aggression and war, using the Thai reactionary rulers as their cats' paw. Again in March 1952, by coaxing and blackmailing the reactionary Thai ruler in the person of Sarit-Thanom, they issued a joint communique proclaiming their right to take military action unilaterally in Thailand, bypassing the Seato. On May 17, that year, they dispatched their troops to Thailand. Ever since, Thailand has been under the military occupation of U. S. imperialism, has become a new colony and a major base for the U. S. imperialist armed intervention in and aggression upon the Asian countries.

Under the signboard of "aid" the U. S. imperialists also have the control over and monopoly of Thai economy, have reduced Thai to their dumping ground, source of raw materials, a place for their investment and are engaged in bloody suppression and exploitation of the people there.

In pursuit of their aim the U. S. imperialists are on the one hand exercising direct control over various economic branches of Thailand by posting their agents attending to the so-called U. S. "aid", and on the other, are inducing and coercing the reactionary regime of Thailand to pursue an out-and-out pro-American, U. S.-oriented economic and trade policy.

As a result of all this, Thai economy, as in the political and military fields, is under the complete domination of U. S. imperialism. Such is a glimpse of the record of colonial aggression and enslavement pursued by U. S. imperialists vis-a-vis Thailand.

U. S. imperialist aggression and domination of Thailand have entailed untold calamities in that country. In the political sphere they threaten, blackmail and even overthrow the local government when the latter attempts to pursue an independent policy, and cold-bloodedly suppress and massacre patriotic, democratic personages fighting for national independence and democratic rights, by instigating their faithful running dogs.

In the military sphere, the U. S. imperialists not only have the Thai armed forces at their beck and call, but are utilizing these in their armed aggression and intervention and subversive activities against Korea and neighbouring countries of Thailand, and are recruiting Thai soldiers in these countries to use them as their cannon fodder.

In the economic sphere of the U. S. imperialists' pillage, exploitation and destruction are daily mounting in Thailand. In this connection I should like to touch on a few aspects of the so-called U. S. economic "aid" to Thailand, Thai foreign trade, U. S. investment in Thailand, etc.

First, on the so-called U. S. "aid" to Thailand, about which the U. S. always likes to raise a fanfare. I would not deal with the political conditions attached to the "aid" which are so rigorous and so derogatory to the national pride of the Thai people, but only touch upon its role in Thai economy.

According to official data, the U. S. gave economic aid amounting to 315 million dollars to that country in 13 years from 1950 to 1962. All this "aid" actually flew into the hands

of U. S. monopolists. Because, under the regulations, half of the "aid" is given in dollars to the Thai government to be spent in buying American goods and paying for American services and the other half is sold to Thai traders to finance the purchase of American commodities. Thus it can be seen that the U. S. "economic aid" is to all intents and purposes a form of investment and dumping of American goods.

What is more important than this, however, is the fact that the substantial portion of this "economic aid" constitutes military investment and even that portion falling under the category of economic "aid" is not intended for the economic development of Thailand but for paving the way for U. S. investment, for seizing the economic lifeline of Thailand and monopolising major commodities there, so as to turn this country into the supplier of necessary materials and into an appendage to the United States.

The U. S. "economic aid" for the past 14 years has made it impossible for any branch of Thai economy to achieve independent development. On the contrary, it only placed Thai economy at the mercy of the United States for its tighter controls and more harsh exploitation.

The reactionary rulers of Thailand drew up the so-called "economic development plan" (1960-1966) in order to meet the requirements of the U. S. "economic aid". The plan is mainly directed to the building of strategic roads, only one per cent of the total aid being appropriated for industry. This bespeaks the true nature of the so-called U. S. economic aid,

Besides the direct U. S. "economic aid", the U. S. imperialists are binding up Thailand also with all sorts of other "aid" given through U. N. organizations under thumb.

Noteworthy in this connection is that, parallel with the U. S. "economic aid", the Thai government must, under relevant agreements, lay aside a commensurate amount of Thai currency as counterpart funds and as funds for covering the expenses for the entertainment of American officials and specialists.

During the past 14 years Thailand disbursed one billion bahts as counterpart funds, and the amount is increasing year after year. This cannot but have an adverse effect on the Thai finance and economy, making Thai finance and economy cater to the needs of the United States.

Now let us see how U. S. imperialism exploits Thailand through foreign trade.

Formerly Thailand conducted foreign trade mainly with the pound sterling area, but after World War II, particularly after the Sarit-Thanom reactionary group came to power, the United States and the dollar area rapidly took the place of the former.

American imperialism has used such a dominant position and other privileges for its arbitrary control and exploitation of Thai economy, reducing Thai trade from one with favourable balance to one with unfavourable balance every year. In the year of 1963 alone import exceeded export by 2,755 million bahts (20 bahts equal one U. S. dollar).

From 1958 to 1963 Thailand showed an unfavourable balance of 9,274 million bahts, of which 3.4 billion bahts came from the trade with the U. S. and 2,352 million bahts from the trade with Japan which is under the occupation of Yankee imperialism.

Such deficit is partly caused by the fact that Thailand's export of agricultural produce is hard hit by the dumping of U.S. surplus farm produce and its pressure and the dumping of Japanese goods in Thailand and at the same time by the embargo enforced by the government of U. S. placeman Sarit-Thanom under the manipulation of its boss against the socialist countries, the People's Republic of China in particular. Thailand is shut off from such traditional markets as China which has a tremendous purchasing power.

There is no doubt that Thailand's foreign trade cannot take a favourable turn unless effective measures are taken to cure the maladies.

Now on the export of U. S. capital to Thailand. Export of capital is one form of direct exploitation of the Thai people by U. S. monopoly capital.

In 1958, as soon as the Sarit-Thanom reactionary circles took power, they declared investment of foreign capital (needless to say, with priority given to the U. S. monopoly capital) was welcome in Thailand and offered privileges including free outflow of profits from Thailand.

According to the statistics of the National Bank of Thailand, the investment of foreign capital in Thailand in 1962 reached 8.6 billion bahts, the greater part of which was monopoly capital. It squeezed a colossal amount of profits from Thailand for years. According to incomplete statistics, the U. S. monopoly capital pumped out 19.3 billion bahts of profits from Thailand between 1958 and 1961, or an annual average of 6.4 billion bahts and a daily average of 18 million bahts. The profit is only from its investment in Thailand and but a part of the profits the U. S. monopoly capital squeezed out of Thailand.

Foreign monopoly capital has not only monopolized Thai market, but also is running a large number of national industry factories through its investments and control of raw materials. Particularly in recent two or three years more than 500 textile mills stopped or curtailed operation, with the result that the output of textiles dropped markedly.

Foreign monopoly capitalists, in league with the Thai rulers, control the major state enterprises as well as many other trading agencies and public business organizations

This is a general picture of the economic aggression perpetrated by U. S. imperialism against Thailand through "economic", trade and investment.

Owing to the restraint by U. S. imperialism and the Thai ruler's subservience to the U. S. policies of war and aggression, 60-70 per cent of Thai's state budgetary expenditure is squandered for military purposes and for the suppression of the people. In order to cover up this huge sum of expenditure, the reactionary



Thai government continues to bank mainly on taxes squeezed from the people. Out of the 1963 state budgetary revenue, 90 per cent was made up of taxes. Such state of affairs inevitably adds to the burden upon the people, and, accordingly, the people's living is going from bad to worse with each passing day.

According to the official figure, the average annual income per peasant household in Thailand is enough only to support it for ten months. An average of 50-60 per cent of the peasant income has to be paid as farm rent and the interest of debts. Peasants are going bankrupt one after another, and in some areas such cases as farmers taking away grain are occurring. The wages of the workers keep decreasing, and greater part of the population are jobless. The youth and students are kept outside the school. Most of the graduates cannot find job, and teachers, low-ranking civil servants, and low-ranking officers and police are in debt. The national bourgeoisie are not only deprived of the possibility of developing the national economy but also driven to the brink of bankruptcy in succession.

All the grave consequences of the U.S. aggression and domination of Thailand and the country-selling acts of the reactionary Sarit-Thanom clique.

U. S. imperialism is enemy No. 1 of the Thai people.

U. S. imperialism is imposing upon the Thai people the policy of neo-colonialism which it is pursuing in Asia, Africa, Latin America and in other parts of the world. The American imperialists who have placed the economic life lines of Thailand under their control by every means, are trying their hardest to maintain their forces in Thailand, reinforcing their military force and seeking to consolidate their neo-colonialist rule there.

The Thai people, therefore, must not renounce the struggle against U. S. imperialism and their lackeys—the Sarit-Thanom reactionary circles—for winning complete national independence, both political and economic. Without fighting a resolute battle against and toppling their rule, the development of Thai economy and the construction of an independent national economy are unthinkable. This is the experience and lesson we attained and learnt from the history of Thailand.

Following the successful patriotic democratic coup staged by the People's Party in 1932, the Party set forth the great "Six-Point Programme," one of which was to defend the economy. But, to our regret the programme failed to be realised because of the control of Thailand by the imperialist forces. U. S. imperialism tried to make it impossible for Thailand to build an independent national economy and tried to make Thailand dependent upon the United States economically and keep Thailand as an agricultural country so that it may be free to plunder Thailand of its abundant resources and materials.

From this we can see that the "theory" of the modern revisionists that the oppressed nations can co-exist peacefully with imperialism and, accordingly, the central task of the national-liberation movement is to develop economy, is a sheer lie. This fallacy, in fact, is to make the oppressed nations renounce the struggle against imperialism, first of all, against Yankee imperialism, the enemy No. 1 of the oppressed people and to help American imperialism keep indefinitely the oppressed nations and people in the bottomless abyss of poverty and hardship so that Thailand may not raise its head for ever. Today Thailand still remains dependent politically and economically. If this country is to improve such state of affairs, she must win political as well as economic independence and thereby develop an independent national economy capable of walking on its own legs. In order to accelerate the development of one's own national economy it is also necessary to establish economic co-operation with other countries and receive economic aid from them. The co-operation and aid, however, must be genuine, disinterested, with no strings attached. The people of Thailand do not need the "aid" accompanied by various sorts of promises which U. S. imperialism today gives to them. The reason is this; it is not only unfavourable for the development of the Thai national economy; it also places her under U. S. control in the political, economic, military and cultural spheres, makes her economy depend upon U. S. monopoly capital for a long time, and deprives her of its sovereignty and independence. Such "aid" is by no means genuine aid, but it aims at making Thailand a U. S. colony. The modern revisionists, pinning their hope on U. S. imperialism, clamour that its "aid" to underdeveloped countries will enable

their peoples to "rise speedily to their feet" and hope that imperialism will eliminate poverty with money coming from disarmament. All this a lie.

In fact, U. S. imperialism has given not a small amount of "aid" to Thailand in the past 14 years. But, actually there is no knowing how many times more amount of materials it has taken away from Thailand than its "aid". Even the reactionary Sarit-Thanom clique had to admit: "The recompense Thailand gave to the U. S. is incalculable."

What the modern revisionists hope is a sheer illusion. It is like asking a tiger to watch over meat, it is like, to all intents and purposes, trying to place the peoples of various countries in the clutches of U. S. imperialism, neo-colonialism, to benumb them so as to destroy their revolutionary struggle mercilessly.

The modern revisionists are blabbing about their "peaceful co-existence" devoid of any principle. This, too, is designed to make all the oppressed nations give up their struggle against old and new colonialism, make the peoples of various countries give up the struggle for national liberation, freedom and democracy, and substitute it for a revolutionary struggle to wait for aid from the socialist countries. In actuality, the so-called "aid" by the modern revisionists is also given in violation of the principles of equality and mutual benefit and the principles of self-reliance and independence. Their so-called "aid" is based entirely on national egoism. The modern revisionists try to make the recipient countries serve their interests, with the result that the latter sustain political and economic losses. This makes it clear that the so-called "aid" of the modern revisionists is, in fact, not different from the so-called "aid" of the imperialists.

They attempt to make the underdeveloped countries which receive their aid depend upon them for a long period and obey dictates. The result is that these countries inevitably lose their sovereignty and independence. This is more than a nation with a high pride can accept.

Drawing on their experiences of the past struggle the Thai people know this: if they are to develop an independent national economy, they must fight resolutely against U. S. imperialism and

its lackeys on all fronts to drive out the U.S. imperialist forces from their country and overthrow the reactionary, country-selling Sarit-Thanom regime, stooge of U.S. imperialism, adopt a policy of independence, democracy, peace and neutrality, secede from SEATO, establish normal relations with the countries which are friendly toward our people on the principles of equality, mutual benefit and non-interference in each other's internal affairs, and realise trade relations and economic co-operation with various countries on conditions favourable to the development of an independent national economy.

By so doing can our country achieve genuine sovereignty and independence and develop the national economy, can the economy of our country prosper, our country become an industrial state capable of walking on its legs, and the poverty-stricken situation of the broad masses of the people be improved radically.

Under these circumstances, however, our first and foremost task is to oppose and overthrow the reactionary rule of U.S. imperialism and its lackeys and, while unfolding such a struggle, to oppose modern revisionism as well. For modern revisionists, siding with the imperialists and reactionaries, have become apologists for the reactionary rulers who are engrossed in imperialist and neo-colonialist aggression and exploitation and are oppressing the people. The modern revisionists are trying to prevent our people from fighting our national enemies, U.S. imperialism and the reactionary Thai government by spreading reactionary ideologies among them; they preach peaceful co-existence with the enemy and, while propagating such deceptive theory as the so-called "economic aid" incompatible with independence, sovereignty and self-reliance, want to dupe the people to make them friends with the enemy and give up the struggle against the enemy. Modern revisionism is the product of the imperialist's policy. Garbed in an attire of socialism and revolution, they are attacking the people demanding revolution and are attempting to save imperialism from being routed. They want to prevent countries, where revolution was successful, from continuing the revolution, and want to undermine the People's China—the bulwark of the world people fighting against

imperialism; they are attacking the countries fighting against imperialism. All this fully accords with the demands of moribund imperialism. Modern revisionists have never repudiated the economic aggression of imperialism against Thailand, never repudiated the dispatch of U. S. troops to Thailand, never denounced the U. S. for her military invasion of Thailand, and never come out against the Sarit-Thanom reactionary regime. All these facts show that the modern revisionists are supporters of U. S. imperialism and the reactionary Thai government and the enemy of the Thai people. No matter how U. S. imperialists and the reactionary Thai government try to deceive, oppress and suppress the Thai people, no matter how modern revisionists embellish and support imperialism, the Thai people will never lead their country and nation to ruin, and we will build a prosperous and mighty country fighting our national enemy who are riding roughshod over us to the last. To this end, the people of Asian, African and Latin American countries should wage a resolute fight standing side by side against neo-colonialism headed by U. S. imperialism, and spread like a wild fire the struggle of the people to all parts of Thailand to burn up and devour imperialism ensconced in Thailand, the reactionary and traitorous Thanom clique and all of the modern revisionists betraying the revolution. Then our rich and prosperous Thailand will be able to build an independent national economy. We are firmly convinced that our country, like the Democratic People's Republic of Korea, People's Republic of China, Democratic Republic of Vietnam and a number of Asian, African and Latin American countries, will be ranked as a developed country of the world.

Let us fight against imperialism and old and new colonialism!

Long live the great unity of the peoples of Asian, African and Latin American countries!

## **Rev. VICTOR JAMES (Australia)**

Some idea of the history of the economic development of Australia should be recapitulated as a starting point to this subject.

The necessities arising as the result of two world wars in which Australia was involved, forced Australia to set up its own secondary industries, independent of Great Britain. Prior to 1940, Australia was a supplier of raw materials and a market for goods produced elsewhere, particularly in the United Kingdom.

Wheat, wool, meat, fruits (dried) and iron were exported to the United Kingdom which was then Australia's best customer. The shortage after the 2nd world war of goods for capital development and of consumer items resulted in a rapid development of new industries.

This tended towards establishing the condition of full employment and led to the recruiting of labour from the countries of Europe, through the assisted Migrant Scheme, a subject too large to be dealt with in this report, although it should not be forgotten that the present Australian Government has also made it known that an inflow of migrants was essential in order to make the defence of Australia more secure.

This inflow of migrants into Australia soon revealed a serious housing shortage, particularly for people of low income bracket. This inflow of overseas labour had its expected consequences for the Australian Trade Union movement.

### **Some effects on Trade unions of the Importation of migrant labour**

Just as the British Trade Union movement was called upon to provide for the influx of members of the Polish Army stationed there during the last war, who elected to remain there after demobilisation, and had to accomodate itself to the later influx of workers from British colonies, so the Trade Union movement in Australia had to face up to the influx of

European migrants, some of them coming from countries where a strong working-class consciousness was unknown, some used to lower wages and sub-standard conditions of living as well as speaking different languages.

There can be no doubt that the 'screening' of applicants for admission to Australia, with the idea of preventing class-conscious workers from entering the country, provided the Trade Union movement, in some cases with a problem which, in an accentuated form, has been seen in the activities of the notorious Yugoslav fascist movement, the Ustashi.

It appears that the criterion for entrance into Australia by the Menzies' Government was the denial by the migrant that he had ever had any connection with any politically left organization, or that his sympathies lay in that direction.

This is not to say that all or even a majority of these migrant workers fell into this category, for some, like the Northern Italians, having lived in highly industrialised areas, have since shown themselves to be politically alert.

What this influx of European labour (now New Australian) will be and what part they will play in Australian life will be according to the pressure on them of the same influences which will affect the native Australian, as the white Australian regards himself.

Of even greater importance than any other factor, and one that is becoming increasingly significant in its effect on Australian industry and its way of life, is the growing hold of American capital that has flowed into Australia through its industries.

It is recognised that this is true of many other countries, including Canada, just awakening to the consequences of the strangle-hold of American capital upon it.

By awakening is meant coming to the point of trying to do something about it. One of the Canadian Royal Commission's recommendations (The Commission on Banking), according to

the Sydney 'Bulletin' hardly a left-wing periodical, 'is worth nothing.' According to a recent 'Labour News Letter, published in Melbourne, By Brian Fitzpatrick, the 'Bulletin' says of the Canadian Royal Commission.....' it proposes that acquisition of shares in Canadian Banks by overseas interests should require the approval of the Canadian Treasury Board. This proposal it is suggested, could provide a system whereby acquisition of interests in other Canadian companies by foreigners could be regulated by the Canadian Government. Why don't we (Australians) try this too? Or are we all asleep to foreign exploitation of our resources?' Here again we find a reluctance to state frankly and clearly that 'foreign exploitation' means American exploitation.

Whether this would be drastic enough in Australia, or if approved, would be properly implemented by a government that sold Australia down the river in 1963 with the agreement between the U. S. A. and the then Australian Minister For External Affairs, Sir Garfield Barwick, for the establishment of a U. S. nuclear base, more precisely a base for communication between it and nuclear-missile U. S. submarines, remains to be established.

What concerns Australians who see clearly the implications of the flow of U. S. A. capital into their country is not only its influence upon the structure of the economy, but the way in which Australian workers are becoming more dependent on what this capital inflow means.

According to the official "Directory of United States Investment in Australian Manufacturing Industry," issued by the Department of Trade in Canberra for the period ending 1962, this list published for public consumption includes not only subsidiaries and joint ventures which have been incorporated in Australia, but also firms which have a wide variety of licensing arrangements. Together, these cover financial and managerial contributions by American firms and the exchange of information on manufacturing techniques, processes and equipment".



This Directory records that:- "The total inflow of private overseas capital into Australia in the decade 1960-61 totalled some 2,600 million dollars, of which about 820 million dollars, or almost one third came from the United States and Canada.

When including Canada the significance of former remarks about the incidence of American investments in that country should be remembered.

It further stated in this official Directory:- "North American capital has been prominent in the post-war development of Australia's natural resources, in the rapid expansion of the country's major industries, and in the establishment of new large-scale industries. Profits reserved by companies to finance expansion have been an important source of capital for industrial development, and the willingness of overseas investors to re-invest their profits is a measure of the confidence they have in Australia's future." (my emphasis...V. J.)

This confidence, no doubt, is greatly strengthened by the knowledge that American bases have been established in Australia and are an indication of the relationship between them and American capital.

A more recent assessment of American capital inflow to Australia will be seen in the following table which includes United Kingdom investments:

		U. S	U. K.	U. S	U. K.
1958-59.	57.1%	53.3%	1961-62.	50.9%	40.8%
1959-60.	32.5%	54.6%	1962-63.	41.4%	46.7%
1960-61.	37%	48.2%			

The above figures are taken from the reliable source of Brian Fitzpatrick's 'Labor News Letter,' an invaluable monthly presentation of what is happening in the Australian political scene. He comments:- "So augury of the future 'Australian' pattern? "in the peak-year 1961-62, U. S. investment not only exceeded U. K. new investment, for the first time, but also for the first time amounted to more than half of all new foreign investment in companies operating here."

According to the official monthly publication of the Food Preservers' Union of Australia (Victorian Branch) recently published, there is given a list of the American firms taking over Australian food processing and preserving plants, such firms as:- Reckitts & Cokeman; Peter's Icecream; International Cannery; National Dairy Co. of U. S. A; Kraft Co; General Foods Corporation of U. S. A; National Biscuit Co; Campbell's Soups; Unilevers and many others.

### **Effects of American Take-Over of Australian Industries**

Here is a form of neo-colonialism practised in a comparatively new country advertising its national consciousness and traditions, proudly declaring its democratic system of government and its Christian morality.

At the same time Australia is bound by its commitments to American Foreign Policy. This taking over of Australian industry is the placing of the seal of approval by America on our government's eagerness to ally itself with what it thinks is a strong friend in Asia.

The effect of this neo-colonialism disguised as an alliance between friends cannot be limited to the industries now controlled.

Television commercial programmes, for example, are not only subsidised in the form of paid advertising but American capital has supplied the Australian stations with the large majority of films shown, 'Westerns' and others which have had and are still having a direct effect upon the developing Australian culture.

Claims made for many products are in many cases grossly false and the entertainment value of many of the programmes is either poor or non-existent. Violence, graft and quiz programmes pandering to conditioned get-rich-quick impulses of viewers provide distractions for tired workers and, in many cases, distracted mothers who find a television set as useful as a dummy or soothing powder on other wise noisy, fractious children.

There are exceptions with the National programmes, but even this station includes some of these American documentaries and when some of these come from the NBC on such subjects as "The Communes in China," their educational value may be imagined.

### **Effects on Trade Unions of this invasion of American capital**

An important and serious development in this American take-over is the attempt to break down the militant traditions of the Trade Union movement. The already existing Crimes Act on the Statute Book has now been added to by new sections of the Arbitration and Conciliation Act which make use of the traditional strike weapon, if not impossible, at least increasingly difficult.

Fines are imposed under these new sections on individual union members and the union as an organisation, fines which deplete union funds and place a severe strain on union finances beyond their financial capacity.

This has the effect of making union leadership careful with a tendency to discourage strikes in the face of the depletion of funds. Thus they may work against their own members who, being 'on the job' and being directly threatened by the employer's demands through Arbitration Court decisions, are becoming more militant, demanding direct action.

It seems certain that Australia is on the eve of serious Clashes between union membership, which, through its 'shop-committees' is meeting repression by 'stop-work' meetings and strikes, and objecting to the conciliatory and reformist policy of many of the Trade Union leadership.

It should be realised that there exists in Australia among the workers, a keen awareness of the nature of the thread from the new penal clauses in the Arbitration Act.

In a pamphlet authorised by the Melbourne Trades Hall Council we read that:- "The growing agitation among the trade unionists of this country against the Penal Clauses stems from

the inherent injustice of any system which denies the workers the right to fix the price of the only commodity they have to sell, ie:- their labour, while permitting the employing class to indulge in restrictive trade practices and monopolistic combinations, so that they can attain the highest possible profit for the goods and services they have to sell.

This vicious penal legislation is now in force. In 1951 the Menzies Government made a number of alterations to the Arbitration Act, chief among which was the insertion of specific Contempt of Court provisions with penalties of £500 for an organisation, £200 for a single employer or an office-holder of an organisation.

Thus, any union disobeying a Court Order not to commit a breach of the award, would be fined £500 for each act of contempt, ie:- for each day on which it defied the Court Order."

Under the 'Incitement to Boycott' (Section 138), "An officer of an organization is forbidden to advise a member of that organisation not to work for an employer or to prevent or hinder him from so doing, or to advise him to go slow or restrict his output in any way." There are 38 sections in the Arbitration Act which contain clauses directed at Trade Unions and their members.

### **Effect Also Shown in Disparity Between Male and Female Wages**

A further expression of the employer's disregard for the workers is the continued policy of paying a lower scale of wages for women which is approximately 75% of the male rate

### **Exploitation of Aborigines in Australia**

This is an abominable example of the argument of inferiority as applied in the assessment of womens' wages.

The Aborigines, who are mainly pastoral workers, receive in general, only half the wages of white workes, and often even less than this.

Wages for female Aborigine labour lags behind further still. Up to recently the Aborigines in the Northern Territory, like the remainder living in other States, had little hope of gaining equal status with white Australians. There is a Bill before the Northern Territory State Legislature to give Aborigines in that State full citizenship rights. There is a possibility that the Bill may become law, but there is strong opposition to it and there is no guarantee that the Bill will be implemented even if it becomes law.

Those who have worked for the rights of Aborigines hope that this may prove to be a first step towards ensuring equal status for them.

However, in the greater part of Australia where Aborigines live their tribal life or live in missionary reserves, conditions leave much to be desired. Last year the Australian Council of Trade Unions passed a resolution calling for "Equal Wages for Aborigines".

The award rate for adult male Aborigines working in the pastoral areas at the time of writing, and in the Northern Territory was £2-8-3 per week plus keep of £2-13-9 in lieu of keep. For females it is £1-5-3 and 16/6 in lieu of keep.

The Bill before the Northern Territory Legislature will, if it becomes implemented 'unpeg' wages and enable Aborigines there to claim wages on a par with white workers.

Here is a glaring example of Australian colonialism which many Australians, especially Trade Union members are determined to banish.

### Another Example of Colonialism

This is found in New Guinea, over which Australia exercises control. It seems that the Australian government is now engaged upon a campaign of window dressing and is in a race against time to set up a native middle class of landowners and public servants. The Christian missions in New Guinea vie with each other to save the Papuans from their sins, particularly their tribal sins which, interestingly enough they do not regard as sins.

It is not conceivable that a Government which can frame penal clauses in its Arbitration Act to intimidate Australians in their own country would make exceptions in New Guinea and the record of what was done to Kalau, Birregurra and Yali, three leaders of the people, gives the clue to the real intentions of the Australian Government.

It has yet to be seen what will happen since the recent elections in New Guinea but the situation will need to be watched particularly by members of the United Nations. It may appear that these matters have little relationship to the economic background of Australia, but it is the economic background and influences which shape a country's attitudes to neighbours and it will be the changing financial character or Australia's economy which will link this country closer and closer to the U. S. A. and make their foreign policies not only indistinguishable but identical, and Australian freedom to change its mind practically impossible, even though Australia, contrary to U. S. policy, continues to trade with China.

### **The Low Purchasing Power of Wages**

Another notable trend in this campaign to fix wages either through the operation of the Arbitration Act or by the reluctance of employers to increase wages in proportion to their increasing profits and the real needs of the workers is that of married women being compelled to work in order to augment the husband's wage to the point of being able to provide for themselves and their children.

With the Australian pound worth about 5/- and the steady rise of prices for household needs, families could not live unless both man and wife worked,

There is nothing to be said against the whole work force trying together, men and women, to build a constructive fabric of living for themselves, but there is a great deal to be said against women being forced to work because of the inadequacy of the husband's wage.

And while both work, the children are not catered for by an adequate system of day nurseries, after school care or any of the other facilities regarded as the normal right of people working in an 'affluent' society.

The fact is, that in spite of the expansion of industry, the increase of markets (China is now Australia's fourth biggest customer), the results of this affluence is **not** reaching the majority of wage earners, and it is far worse for age, invalid or widow pensioners.

It is true that many people can buy television sets, washing machines, refrigerators and motor cars on the time-payment system, but they are strangling themselves financially for the best years of their lives, husbands and wives are compelled to continue working and dread sickness and they pile up anxieties and tensions, with the resultant psychological efforts on them and their children and incidentally paying millions of pounds interest on their purchases to the Credit Companies and the banks.

The present Hire Purchase debt in Australia amounts to nearly £500-000-000. Marx pointed out that the exploitation of the worker increases in the ratio monopoly capital increases its profits. Australia is a living example of this fact and we might add to this by emphasising the fact that in the near future, because of the increasing flow of American capital into the country and the increase in profits not shared by the actual producer, as well as the present level of wages and decreasing purchasing power owing to inflation, monopoly capitalism will soon be adopting trends already clear in the U. S. A..

In a recent 'Industrial Officer's Convention' held in Melbourne under the auspices of the Employers Federation, the chairman of the Convention said: "In order to maintain and improve our living standards we must eliminate disruptive elements to enable us to attain maximum productivity." If and when Australian industry, now indistinguishable from American industry becomes automated, which it certainly soon will, then one effective way of eliminating disruptive elements will have been achieved.

### Another Aspect of the Economic Situation

If an individual worker is lucky enough to take home each week a pay packet of £20, and has hopes of purchasing his own home, for there are fewer and fewer available for renting, then he

is in a position of extreme difficulty. He cannot save enough even to pay a deposit on an already built home and if he looks for a block of land on which might be considered as security for a bank loan to build, then he will have to save somewhere in the region of £500 in the country or £1,200 nearer the city. Land values have increased in Victoria about 300% in less than 10 years for low-priced blocks while what are called 'fringe-area' blocks sell for as much as £1,100-£1,200.

A moderately priced home is anywhere in the region of £4,000. One worker living in what is known as a Housing Commission home will be paying off the capital and interest for the next 40 years and by that time for a house costing £4,800 to purchase now, it will cost somewhere in the region of £11,000.

One of Mr. Menzies' promises if he was elected, was to give a grant to young couples of £250, if they had money in the bank to bring the total up to £1,000.

For a house costing £4,500 this would mean that they would have to pay off any loan on this security of £1,000, of £3,500 plus interest.

The writer of this report has just completed his own home, a brick house 45ft by 28ft. It has taken him nearly seven years to build it by his own labour. If the cost of labour for this house is included in the final cost then it is now worth about £5000.

Sub-contractors for electric fittings, plumbing, plastering, etc. had to be paid and a loan of £900 was raised from the bank.

There now remains for the next two years a monthly repayment of £40 from two average incomes.

Without his own labour, bricklaying, carpentry, concrete mixing and pouring and both husband and wife working, such a house could never have been built,

How then does the average wage-earner on a fixed wage manage to build his own home?



## Malaysia

It may well be asked how Australia views the Malaysian question. It will be sufficient to say that strictly speaking Australia as a country, does not take anything like an independent view of Malaysia, for being beholden to the U. S. A, her foreign policy is U. S. A. foreign policy. You may have noticed that when Dr. Sukarno or Subandrio wants to know just what Australia will do in a certain situation it does not ask Sir Robert Menzies nor even the Minister For External Affairs, but goes to Washington, for they know that what America decides today Australia will agree to tomorrow.

It is simple as that.

If it were not for the continued pressure upon the Australian government of those wheat and wool interests who are trading with China today, I doubt if the Australian government would have risked the disapproval of the U. S. A,

Whether there will ever be an independent financial and foreign policy that will be uniquely Australian cannot be foretold, although unless and until the U. S. A. is forced by economic circumstances to alter its policies, there is slender hope of Australia altering its policies.

There is very little reason for hoping that the advent of Labour will make any vital changes for recently labour reversed its policy with regard to the U. S. Base in this country.

The Communist Party in Australia is split in two and until some semblance of unity is achieved and greater confidence is felt with increasing membership, there is little to hope for from this direction.

It may well be, however, that external pressures from countries becoming increasingly economically independent, with their own sources of raw materials and ability to ensure a good living standard for their people, will change the present situation not only in Australia but in the West as a whole.

The trends in Australian trading with China, of West German trading with China, all seem to promise an enforced change through the demands of interested capitalists of the West

It may be that the worsening position of the U. S. A. economy with 5,000,000 wholly unemployed and many millions only partly employed and an economy based largely on the manufacture of missiles and weapons of war may exercise an influence which is not yet felt in Australia. The close financial ties between the two countries can bring not only the present apparent affluence but also the crash of both their economies.

This may yet be one of the consequences of the sacrifice of Australian economic independence and U. S. A. control of industry.

### **Possible Development Due to Increasing Trade with Afro-Asian Countries**

The effect of contact with Afro-Asian countries, by means of growing trade links, may well be one factor swinging Australian allegiance to the U. S. A. Australia has much to sell other countries and as capitalists anywhere in the world are never notorious as patriots when their interests are concerned, it would be good policy for Afro-Asian nations to offer markets to Australian business men who, if the history of the sale of wheat and wool is any reliable criterion, will put pressure on the government to grant permits for such transactions.

Advantage of the present 'Export Action' drive, particularly in view of Australia's position in relation to the European Common Market situation, should be taken.

Independent national economies can be built by the control of national resources in the interests of world co-operation in trade. These economies must avoid like the the plague borrowing from sources which have strings attached to them, the thin end of the wedge of neo-colonialism.

Co-operation of any kind must be based on the recognition of the dignity, the equality and the rights of all nations and one of the basic conditions of such co-operation must be true independence and there must be strenuous and united opposition to any form of interference in the affairs of other nations,

We must all demand and ensure that foreign troops, military, naval and other bases be eliminated forthwith and, at the present time, this is specially true of South Vietnam, Laos, The South American, and Cuban territory and Japan.

While this is being written, news in the "National Guardian" New York, letters from my friend, Wilfred Burchett and others about the situation in South Vietnam, should demonstrate to us all the seriousness of having anything to do with American monopoly interests, in whatsoever guise they may come and to suspect them more when they may come and to suspect them more when they profess to do things, 'Under God'.

What the future will be in a Australia is anyone's guess, but people living in Afro-Asian countries will be fully aware of the danger of accepting American aid for their development.

I think that those who wish to trade with Australia should seek to do it by making direct contract with primary producers, the Chamber of Trade and Chamber of Manufacturers.

Periodicals such as the Chinese Foreign Trade magazine should be widely distributed- Business and cultural delegations should be exchanged. This may seem to be a contradiction in the light of the take-over of Australian industry by the U. S. A., but there is a rising and vocal concern among Australian businessmen about this trend and opportunities to increase trade with Afro-Asian countries would tend to encourage them to be independent.

The example of the Wheat and Wool Boards in relation to sales to the People's Republic of China removes this advice from the realm of wishful thinking. Wheat and wool are the two chief primary industries of Australia as well as two of the primary needs of these countries newly independent.

More workers must visit Afro-Asian countries. There must be greater liason between Trade Unionists throughout these regions. Where possible trade exhibitions featuring the country's resources in raw materials and goods should be organized perhaps jointly with those countries already experienced and better able to finance them than the poorer countries are.

In a news starved country like Australia the wider dissemination of news is vital. What some of us would do without Peking Review, 'China Reconstructs' and other literature from some other countries, I do not know. It is now becoming possible to learn more from American sources than from Australian newspapers and periodicals.

We need as much information, factual information as we can get.

I cannot anticipate the conclusions of the Economic Seminar but there appear to be grounds for a continuing flow of information between the members and countries represented and we who represent Australia, would greatly appreciate all opportunities for increasing our personal contacts and extending our factual knowledge from time to time.



## BANG HO SIK (Korea)

I wish to discuss particularly the question of the U. S. imperialists' economic aggression against South Korea and its consequences in connection with the subject on Asian and African economies and neo-colonial policies of the imperialists.

I consider that the Indonesian delegate in his report made yesterday "On Neo-colonialism and Asian economies," gave a scientific analysis of the main characteristics of neo-colonialism, and made a clear reference to the substantial aspects of the neo-colonialist policy of the imperialists aimed at economic plunder and enslavement in Asia.

Today many of the Asian and African countries have won political independence through their long, arduous and heroic struggle, they are making a big headway in the struggle for national regeneration and prosperity.

The achievements the people of these countries are registering in their struggle for attaining national liberation and building a free, prosperous, powerful independent country against imperialism and colonialism conduce greatly to accelerating the final ruin of imperialism and to the common cause of the progressive people the world over.

We extend militant encouragement to the peoples of South Vietnam and Laos who are heroically fighting for freedom and liberation, opposing the U. S imperialists, and express our firm solidarity with the struggle of the Indonesian people who have risen up to shatter the "Malaysian Federation," an instrument of neo-colonialism.

We also send positive support and encouragement to the peoples of the Congo, Angola, Mozambique and other African peoples courageously fighting against imperialism and colonialism.

The imperialists are being driven deeper into crises and straits with each passing day, and the greater the successes the Asian and African peoples are achieving the more crafty and insidious tricks they are employing to creep into the countries in these regions and bring them under the yoke of neo-colonialism.

Through "aid", "loan" and "technical and economic co-operation," U.S. imperialism in particular is trying to expand the export of commodities and capital to the Asian and African countries and place these countries under its control.

Owing to the policies of old and new colonialism pursued by the imperialists, until recent past the rich wealth of the Asian and African countries had not been used for the development and prosperity of these countries and for the promotion of the people's well-being, but had been objects of the imperialists' plunder. Still now, not a few countries remain in such a situation.

South Korea is the area where the colonial policy of U.S. imperialism is being enforced most arbitrarily. Accordingly, it is one of those areas where the aggressive nature of that policy is revealed most saliently. The American imperialists regard South Korea as one of the most important strategic bases for executing their plan for world domination, as an "anti-Communist" outpost to stifle the national-liberation struggle of the Asian people and oppose the socialist states.

This is why, up to this date, nearly 20 years from the first day of their occupation of South Korea since World War II, they have been persistently enforcing their policy of colonial subjugation in South Korea.

The policy of economic subjugation underlying political and military domination, constitutes the main content of the colonial policy of U. S. imperialism towards South Korea.

Through a series of "treaties" and "agreements" which they have imposed upon South Korea, the U. S. imperialists have acquired privileges to realize unlimited colonial domination over the South Korean economy.

In the first place, the financial and banking system, the most important lever in seizing and controlling all spheres of the economic life, is held completely in the hands of the U. S. imperialist aggressors.

Half of the South Korean financial budget is made up of the U. S. "aid" funds.

Without prior consent of the U. S. masters the South Korean "government" can neither compile its budget nor disburse funds.

Besides the financial budget of South Korea, the U.S. imperialists have also placed its banking organs in their grip through their "aid", thereby not only holding away over the financial and economic activities of the South Korean "government" but also exercising control over the funds of all economic agencies and enterprises. The proportion of funds coming from the U. S. "aid" reaches 30 per cent in the source of loan funds in the "Bank of Korea", other banks and all other banking agencies of South Korea.

The foreign trade of South Korea is also monopolized by the U. S.

The foreign trade of South Korea is a colonial trade; import exceeds export nearly ten times and 80 per cent of the total value of import is held by the U. S. It is also an instrument for plundering major strategic materials of South Korea and forcing U. S. surplus goods upon her.

Under such circumstances it is only too evident that the South Korean economy cannot be developed in accord with the interests of the South Korean people.

The South Korean economy is totally geared to the U. S. imperialists' policy of military aggression and colonial plunder.

Since World War II the U. S. imperialists have given more than 10 billion dollars worth of "aid" to South Korea, of which 3.5 billion dollars went to the so-called "economic aid" and the rest to direct "military aid". And the so-called "economic aid" also pursues military purposes in essence.

The aim of the U. S. imperialist "economic aid" is to drain South Korea of its natural resources and reduce its economy to a U. S. military appendage.

To block the road to the economic development of South Korea completely and subordinate it to them, the U. S. imperialists are shipping into South Korea as "aid" goods not machines

and installations urgently needed for the rehabilitation of its national economy but some kinds of raw material and processed material intended to shackle the South Korean economy, that is, coal, cotton, food, etc, which can be produced and supplied in large quantities in South Korea, too, and luxury goods which have nothing to do with the life of the toiling masses of South Korea.

The proportion between equipment and consumer goods in the "economic aid" goods brought into South Korea by the U. S. imperialists changed from 31:69 to 8:92 between 1956 and 1961.

Through the so-called "economic aid" the U. S. imperialists have not only held political domination over South Korea and its economic arteries in their hands but also marauded much more wealth than the total amount of their "aid".

By 1962 the U. S. imperialists had plundered from the South Korean people roughly 10 billion dollars, about 3 times the total amount of their "economic aid".

By introducing quantities of their surplus commodities through their "aid," the U. S. imperialists monopolized the South Korean market, destroyed all branches of the national industry there, and completely wrecked the weak foundations of South Korean industry.

Taking advantage of their exclusive position in the South Korean market, the U.S. imperialists arbitrarily make up the prices of raw materials, thereby causing constant shortages of raw materials and funds to South Korean enterprises, and increase the marketing difficulties for South Korean industrial products by shipping in U. S. consumption goods.

It is self-evident that the South Korean products based on backward productive forces are bound to be driven out of the market by U. S. made goods based on advanced technique, and the national industry go bankrupt and get ruined. Many medium and small enterprises have closed their business and sixty per cent of the remainder have either curtailed or suspended operation.

Owing to the predatory colonial policy of U. S. imperialism, the production level of South Korean industry today is only two-thirds of that at the close of the Japanese imperialist colonial rule.



As of 1962, the per-capita industrial output of South Korea compared to that of North Korea stood at 1-15th in electricity, 1-37th in steel, 1-5th in coal, 1-23rd in chemical fertilizers and 1-8th in cement.

The destructive, predatory policy pursued by the U. S. imperialists in South Korea has resulted in further aggravation of the colonial one-sidedness and deformity of industry left over by Japanese imperialism.

The share of industry in the national income of South Korea is no more than one third, and the machine-building industry which constitutes the basis of an independent national economy, is almost non-existent there.

The negligible industries that managed as yet to survive in South Korea are the textile industry processing U. S. surplus goods, and food industry engaged in sugar refinery and milling, and even these are mostly serving the military supplying it with consumer goods.

The share of output of the means of production in the South Korean processing industry dwindled from 29.6 per cent to 11.8 per cent between 1938 and 1961.

Through the surplus goods dumping policy and stringent control of the activities of the South Korean financial and banking organs, the U. S. imperialists have barred in every way the development of home resources and made South Korean industry completely depend upon U. S. raw materials by reorganizing her industrial structure to conform to the consumption of U. S. raw materials.

The result is that now the dependency of South Korea on import for industrial products has risen from 50 per cent in the pre-liberation years to 80 per cent at present, and in particular, its dependency on import for machines and equipment stands at 93.5 per cent.

Having thus seized the lifelines of the South Korean industries, both heavy and light, the U. S. imperialists are controlling the entire production activities there through the supply and distribution of their surplus goods, and today South Korean industry finds it impossible to continue operation even a day without U. S. "aid".

Thus South Korea still remains a backward agrarian area minus a self-supporting industry.

South Korean agriculture has been extremely devastated by the U. S. imperialists' requisitioning of land, forcible sale of their surplus farm produce and restriction of investment.

Through the forcible sale of enormous quantities of U. S. fertilizers which are unsuitable to the South Korean soil, the U. S. imperialists have made the local agriculture completely dependent upon the U. S. fertilizers and, by deliberately ruining agriculture there, they have made even the food life of the South Korean people dependent on U. S. surplus farm produce.

In the past, South Korea used to export over 1.2 million tons of grain a year.

By shipping in uninterruptedly their surplus food and thereby bringing down the prices of local agricultural produce below production cost, they have paralyzed the rural economy and greatly decreased agricultural production.

The total grain output of South Korea has decreased by one third as against the pre-liberation days and South Korea formerly known as a granary has been reduced to an area of chronic famine importing annually 800,000 to one million tons of food from outside.

Introduction of raw cotton and animal products as part of the "aid" of surplus U.S. farm produce obstructs the diversified development of South Korea's agriculture. In the South part Korea produced some 100,000 tons of cotton a year which was enough to meet its demand for cotton by itself. But today the production of cotton has been reduced to almost nil under the pressure of the U. S. raw cotton.

During their occupation for nearly 20 years, the Yankee imperialists established an iron rule in South Korea. As a result, South Korea has been completely subjugated and monopolized economically by the United States.

Today the finance of the South Korean puppet government is dependent on the U. S. "aid" dollar, industry and transport on the U. S. raw materials and fuel, agriculture on U. S. fertilizers and the people's life on U. S. surplus food.

The predatory colonial policy of the American imperialists and the overall destruction of the South Korean economy have driven the South Korean people into utter destitution.

A large army of unemployed and semi-unemployed accounting for 60 per cent of the entire able-bodied population is to be found regularly in South Korea today. Most of the workers on the pay-roll are forced to work 12-18 hours a day, receiving less than one-fourth of the minimum living cost. Foodless peasant households in the countryside are more than 60 per cent of the total, and an absolute majority of the peasants are living on grass and bark.

What does the economic dislocation resultant from the predatory policy of the U. S. imperialists toward South Korea indicate?

It furnishes positive proof that no country under U. S. domination can achieve economic independence, its national economy goes bankrupt as days go by and its colonial dependence and one-sidedness aggravate further. Seizing all the economic arteries of the country employing various disguised or undisguised forms and methods, the U. S. imperialists not only hamper its economic development in every way but also see to it that, even if they set up some industrial facilities, they cannot be operated for a single day without depending entirely on the U. S. for their equipment, raw materials and techniques.

All this shows that the U. S. "aid", far from serving the interests of the recipient countries, is rendered with the aim of serving in every way the interests of the imperialists themselves and of their home and foreign policies, and that under the sway of neo-colonialism the national economy is bound to decline continually, and go to ruin, with no hope of finding a way of its rehabilitation.

Thus, in the final analysis, the recipient countries cannot build an independent national economy, with the result that their political independence is endangered, and their national culture, science and technology cannot develop independently.

The longer the people are subjected to the colonial policy of U. S. imperialism, the more disastrous consequences it brings about to the people in all fields of their life, and the more the people are awakened through their practical experience to the aggressive nature of that policy, thus coming out to fight against it.

Evidence of this is provided by the recent powerful resistance put up by the youth, students and other sections of people in South Korea. Their struggle is not a simple one originated in the "misgovernment" on the part of the Pak Jung Hi puppet regime, but an acute struggle rooted deep in the colonial policy of the U. S. imperialists, a just struggle for the national independence and self-reliance, against outside forces.

Therefore, the flames of the South Korean people's struggle will never be quenched by changing the puppet regime; it will flare up more fiercely, as long as the U. S. imperialists are entrenched in South Korea and continue their colonial policy.

Of late, the broad masses of people in South Korea including the youth and students, who have risen up to shatter the "South Korea-Japan talks," are putting up a more powerful struggle against the colonial policy of the U. S. imperialists and the Pak Jung Hi puppet regime.

The only way for the South Korean people to extricate themselves from the colonial fetters of the U. S. and to tide over the present ruinous crisis lies in driving out the U. S. imperialists, overthrowing the Pak Jung Hi clique and in achieving the peaceful unification of the country by the united strength of North and South Korea on a democratic basis.

It is urgently needed for the acceleration of the country's unification to realize the economic exchange between North and South. The exchange and co-operation between North and South will make it possible to restore economic destruction in South Korea, solve the immediate task of improving the people's livelihood and to bring about rapprochement by removing the feeling of distrust between North and South Korea sown by the enemy, thereby creating very favourable conditions for the unification of the country.

The foundation for an independent national economy established in North Korea constitutes a powerful means which will enable us to drive out the U. S. imperialists from Korea, achieve the unification of the country, save the devastated South Korean economy, to relieve the South Korean people from the dire straits.

The Democratic People's Republic of Korea, proceeding from the compatriotic stand, has on several occasions proposed to the South Korean authorities to offer huge economic assistance to save the South Korean people.

As realities show, it will only bring the dependence and ruin to one's country to sue for the "aid" of the American imperialists, instead of relying on one's own efforts.

National revival and prosperity can be achieved only through the determined struggle against U. S. colonialism, and through self-reliance and self-determination.

The colonialist policy of U. S. imperialism will inevitably meet with a disgraceful failure in South Korea, and the just struggle of the South Korean people will surely be crowned with victory and the unification of the country be realized without fail. We will closely unite with all the peoples of Asia, Africa and Latin America to oppose to the last the policies of imperialism and old and new colonialism and further develop economic and cultural co-operation and the relations of friendship with these countries, and thereby do our best to win victory of our common cause.



## MARIE de SILVA (Ceylon)

We bring greeting to the people of Korea and her great leaders.

The rest of the Ceylon delegation bringing the detailed report of Ceylon's economy has not arrived yet. Therefore I wish to make a few general points subject to the detailed paper being tabled as a document of the Seminar when received.

Ceylon got her political independence in 1948 but continued to inherit almost the same colonial structure as before. Even in the political sphere remnants of British colonialism lingered in the British controlled military naval and air bases. Strategically situated in the heart of the Indian Ocean, Ceylon was a vital Southeast Asian link in the network of imperialist bases.

It was only as late as in 1957—eleven years later—when the first popular government came into power that pressure of public opinion and determination of the late Mr. S. W. R. D. Bandaranaike his government refused to continue the Defence Agreement, under cover of which the bases were controlled and the British withdrew. This government also followed a progressive foreign policy. That his assassination in 1959 was planned by reaction within and without the country was implied by the arrival of SEATO officials from Bangkok on the very day of his death.

When Madame Bandaranaike took up the reins of government after a fresh election following a brief chaotic interregnum by right wing forces, she continued to maintain a broad progressive policy. Within the past four years, her government has faced two attempted coups, both of which were discovered in time.

The most recently planned coup of 2 months ago had been a collusion of local reaction with U. S. imperialism. The conspiracy was for units of the U. S. 7th Fleet (currently "patrolling" the Indian Ocean, in India's territorial waters with her government's permission) to move into Ceylon's territorial waters. The Ceylon Government it will be remembered had

prohibited the entry of ships and aircraft carriers of the U. S. 7th Fleet to Ceylon's sea and air ports and to her territorial waters.

In the economic sphere political independence did not mean the severance of economic relationships and radical changes. Ceylon had 500 years of continued imperialist rule, Portuguese, Dutch, and British with periodical invasions from South India. The latter by its destroying the life giving well integrated and scientific ancient irrigation system and British colonialism with its haphazard denudation of forests and opening up land for tea and rubber plantations and changing our co-operate village structure destroyed our self-sufficiency in rice and created the typical lopsided colonial economy. The larger tea and rubber estates continue to be in the hands of the British who control over 60% of these estates. Most of the commercial houses, Banking and insurance remained in the hands of foreign companies and vast profits were drained out. The total British investments in Tea amount to over 300 million rupees with an annual profit of over 100 million rupees, The total British capital investment in Ceylon is over 900 million rupees. The annual tea production covers Rs. 1,200 million and volume of tea exports is nearly 500 million pounds. The bulk of the export tea trade is to Britain. The present government has attempted to free economy from foreign stranglehold and break through some monopolies. Insurance has been totally and banking partially nationalized. Neo-colonialism in full play was demonstrated when recently Ceylon crushed the monopoly of U. S. and British owned oil companies in Ceylon and the supply distribution of oil so far monopolized by 2 U. S. and 1 British company: The government nationalized these and formed the Petroleum Corporation of Ceylon and turned to other markets for oil, USSR, Rumania, UAR, etc. Fair compensation was to be agreed upon. The companies valued their assets far in excess of real worth and demanded payment in full. Since 2 U. S. companies were involved their demand was backed by the U. S. government with a threat to withdraw aid. By this they sought to disrupt the economy and embarrass the government especially at a time when it was faced with a difficult foreign exchange situation, This also shows the vulnerability of an economy depending on foreign "aid" to promote its growth.

With regard to trade: the terms of trade have tended to move continuously against us. This is mainly because our exports largely primary products could not match the rising demand for imports especially of capital goods. This was also partly due to the instability of the prices of our main exports, tea, rubber and coconut. To improve this situation we have turned to socialist countries for trade and sought for long term trade agreements. Here I would mention the Rice-rubber agreement with the People's Republic of China. This being mostly a barter agreement it enables us to save on valuable foreign exchange. The first year 1952 alone Rs. 90 million accrued to the national economy.

12 years ago Ceylon was the first Asian country to break through the U. S. trade embargo and break up the ring of imperialist blackmarketing in rice and rubber. The Sino-Ceylon Rice-rubber Pact and long term trade and economic assistance agreements demonstrate the possibilities of trade with socialist countries based on Bandung Principles of equality and mutual benefit. Socialist economic cooperation promotes economic growth and affords a real base for national development. We are not any more at the mercy of the imperialists, and can economically break away from the colonial pattern of trade and establish new trade patterns that ensure economic progress.

Ceylon is building sugar, cement, iron and steel, textile industries under agreements with the socialist countries. We are also planning for the state to control the Import-Export trade now in foreign hands.

Still much remains to be done in agrarian reform. 85% of our people live in the rural sector.

We have seen the fruits of economic cooperation with the socialist world. We have also seen the effects of economic cooperation with imperialists.



The Gal Oya Irrigation scheme sponsored by U. S. forced us to buy U. S. goods in dollars, pay fabulous shipping charges to U. S. ships, high salaries to U, S. technical personnel including Rs. 3,000 to the U. S. cook.

The militant trade unions of Ceylon have been in the forefront of the anti-imperialist and anti-monopolist struggle in Ceylon.

Ceylon has a broad mass of progressive forces and united with all other progressive forces will some day embark on the road to planned socialist construction.



# MODERN COLONIALISM - AN ECONOMIC APPRAISAL

*Working Paper by*

S. B. de SILVA (Ceylon)

## Introduction

From the close of the Second World War and noticeably after the victory of the Chinese revolution new perspectives have unfolded in the struggle against imperialism and in the elimination of poverty, low cultural levels and exploitation and oppression of all kinds. The changes that followed in the overall relationship of forces to the disadvantage of imperialism, have since 1960 quickened in tempo—the success of the colonial revolution in one country serving as a mirror of experience for revolutions in others. The great victory in Cuba has fomented pre-revolutionary crises in certain of the Latin American countries, just as the independence of Algeria after seven years of brutality by the French imperialists has leavened the liberation movements in Africa and the Arab World. In Laos and South Vietnam the renewal of struggle is undermining the outposts of imperialism in S. E. Asia. In Europe itself during the past four years the new militancy of the proletariat of the imperialist countries in defence of wage claims has once more called in question the ability of the capitalist economies to ensure continuous improvements in living standards. Their failure is in contrast to the planned increases in real wages with rising growth rates of the Socialist countries have made possible. Besides the political defeats of imperialism, the internal transformation of economy and society in the liberated countries has established the decisive superiority of forms in the material and cultural advancement of the so-called backward nations.

In several of the African and Asian countries that have wrested political power, the process of economic liberation from imperialism has become a struggle against the domination by foreign vested interests of key sectors of the economy—such as banking, insurance, plantations and the import and export trade. Though not all socialist in character the governments of these countries have striven to eradicate colonialism's economic legacy

in order to consolidate and develop national economies. Thus the recovery of Indonesian properties from the Dutch imperialists, and in Ceylon the recent take-over of the British and American oil companies, the nationalisation of insurance, the Ceylonisation of the staff of foreign firms, and the control of foreign banks and plantation Agency Houses that is now contemplated, have become links in the anti-imperialist chain.

### The Strategy of Neo-Colonialism

Though defeated in colonial wars and revolutions, despite the shrinking of its area of influence and the continuous welling up of hostile forces, world imperialism does not gracefully surrender its grip. When unable to concede formal independence whilst retaining ties held through a compradore bourgeoisie as did British imperialism soon after the Second World War with countries like India and Ceylon), the strategy of neo-colonialism has modified the classical forms of subjection without losing much of their essential content. Through the agency of subservient or vacillating governments, by infiltrating into cultural and religious organizations, through international lending institutions under its control—the World Bank, International Finance Corporation, the U. S. Import-Export Bank and the like, as well as by switching on and off technical assistance and financial grants, imperialism seeks to operate. One of the latest media of this neo-colonialist penetration has been the American Peace Corps. Conceived by the late John F. Kennedy after the prestige of the White House was severely damaged by the older advocates of Cold War, the Peace Corps enters underdeveloped countries as part of the obligatory terms on which American loans and technical assistance are given. But the very keenness of the U. S. Government to retain its Peace Corps' 'volunteers' in Ceylon in spite of the sharp rebuff given by the Ceylon Government in nationalizing the American oil companies and taking over the right to distribute oil products shows up the reality of the Peace Corps as an arm of the U. S. espionage service. On this occasion the Ceylon Government rejected the messengers of peace, but the Corps has penetrated 46 developing countries.

In the policy of subordinating nations to the politico-military and economic interests of the metropolitan country neo-colonialism employs a variety of devices, extending from

'aid'-cuts, embargoes and economic sanctions, sabotage, vandalism and army coups. Yet notwithstanding its velvet glove, the open violence against the freedom movements which imperialism has had recourse to which growing frequency exposes as a fanciful illusion and concept of a 'peaceful road' liberation. Colin Legum, a bourgeois political analyst, summed up the position thus: "It is not in the nature of even the most liberal of colonial powers to surrender control over their dependencies until finally they are compelled to do so. Some, like France, submit only to force. Others, like Britain, submit only when the disbalance of power between the colonial Government and the indigeneous nationalist movement becomes so great that they cannot maintain their rule without the use of too much force." *Political quarterly* (July-Sep. 1958), page 269.

### The Economic Basis of Colonialism

The colonial character of an economy does not essentially lie in the mere importation of foreign capital or its dependence on foreign markets. Through the subordination of her economic life (often backed up by political pressures), in a colony the most productive sectors are turned into outposts of the Imperial economy instead of remaining an integral part of the national economic structure. The oil camps of Bolivia and Venezuela, the British tea plantations in Ceylon, or until recently the cane fields of Cuba, which developed in virtual isolation from the rest of the country, confirm this picture. At Kirkuk in Northern Iraq, where oil operations have gone on since the 1920's, virtually every article of food, clothing, and other necessities for the foreign oriented mining community has been imported. "Despite nearby agricultural land and its potential", stated A. J. Meyer, an American economist at the American University of Beirut, "oil camp purchasing power has not, in two decades set off a small scale agricultural revolution leading to food and textile processing industries in Northern Iraq". (*Middle Eastern Capitalism*, 1959, p. 81 ff.). Similarly, in Iran the oil community is economically and culturally divorced from the Iranians and the rest of Iran; and in Saudi Arabia most of the oil earnings when not remitted abroad as profits and dividends are converted into 'a Himalayan pile of Western made consumer goods'. Writing before the colonial liberation movements of the post-2nd World War period,

Leyland Jenks summed up in the following terms the impact of European capital exports: "There is no Egyptian, Argentinian, almost no Indian or S. African, certainly no Cuban or Peruvian economic system. The economic activities of these regions are all functions of a spirit of enterprise manifested either in the British Isles or at New York. They form organic portions of a British or American economic system." (*The Export of British Capital*, 1928, p. 195.)

The economic essence of imperialism is domination by foreign monopoly capital causing a distortion of a country's economic system and involving a practically wholesale drain of her economic surplus to the centres of financial control. This leakage is due not merely to the flow of dividends, profits, trade commission etc., but also to a periodic repatriation of capital amounting, at inflated values, to a multiple of the sums originally brought in. The size of this surplus remitted abroad is the result of 'distributional exploitation'. For sharp differences in salaries and bonuses in favour of the European nationals and the large scale wage exploitation of labour depresses to insignificant levels the share of the total income accruing to local employees. Of the Middle East oil revenues, example, less than 5 per cent has been estimated to be paid out as wages' Similarly Herbert Frankel observed: "Nothing has changed so little in Africa as the black man's rate of wages". (**Capital Investment in Africa**).

The Managing Agency system in Ceylon has been the principal medium through which foreign capital exercised direct control over the colonial economy and appropriated for the metropolitan country the fruits of plantation investment. Unlike in India, where British agency houses have promoted, and invested in manufacturing enterprises, their financial interests in Ceylon have been essentially based on primary production. But while the management of estates is ostensibly the prime function of these firms, a considerable volume of their business consist in securing orders for freight, insurance and import and export business on a behalf of shipping, insurance, and trading firms in Britain for which the agency house is itself the local representative. A considerable portion of its earnings, though not easily identifiable, is in the form of commissions and discounts gained in the course of handling the affairs of an estate. Some of these

hidden emoluments relate to trade discounts granted by leading import firms on regular orders for the supply of fertilizer and other materials used on plantations. In the course of the movement of plantation produce an agency house therefore collects several sets of commissions, for instance on arrangements it makes with brokers for the sale of export produce, on arranging freight with the shipping line it represents, on insuring with the insurance agency it holds, and so on.

As wholesale importers the role of these agency firms is merely the booking of orders for local dealers in return for a commission based on the value of indents. But operating within the close-circuit systems that linked the mercantile oligarchy in the colonies with various metropolitan manufacturers, in the wholesale import trade a great deal of market imperfection flourished. By means of area-agreements with the metropolitan manufacturers, the trade in commodities handled by the indenting firms was fenced into separate preserves. While the entry of new firms into the business was blocked, secretiveness regarding suppliers' prices abroad permitted local price-manoeuvring by the indenting agents. And within these monopolized markets no transactions could take place without the indenting agent lipping his commission. This multiplicity of functions and the pervasive nature of their interests, resulting in a tie-up between plantation, trade and shipping, often strengthened by interlocking directorates, have led to pyramiding of economic power in a handful of foreign agency firms.

Of the respective earnings of an agency house, a dominant share thus accrues from its role as a functionless middleman interposing itself between the direct producers and consumers. Whereas in the early days the agency houses played a positive role as midwife to the planting enterprise, supplying finance to, and organizing, tea estates after the coffee-crash in the 1880's, present activities of these firms have become a parasitic survival from a classical colonial age. In some respects their position is akin to that of the Chinese compradore who acted as go-between to the local traders and the foreign firms. The compradore, however, unlike the present day agency houses was elbowed out of the organisational structure when the conditions to which he owed his origins had begun to disappear.

The decline of the *compradore* was hastened, it may be noted, by the competition which developed for the China trade among foreign manufacturers and traders, especially the British, Germans and the Japanese, and their consequent striving to minute superfluous services.

The nature of the present Managing Agency business is devoid of any entrepreneurial function. Apart from exceptional cases in which an agency firm may take direct control of an estate which is in financial straits and assume responsibility for settling its pressing liabilities, an agency firm cannot suffer any serious loss of income. The relative fixity of many of its dues, including commissions on shipping and insurance which are based on the volume or weight of produce handled, assures it of stable earnings regardless of the short-term fluctuations in export prices. While the continued 'mismanagement' of a plantation company carries with it the distant penalty of an eventual loss of custom, two factors render the position of an agency house invulnerable in the short or medium-run. For not merely do tradition and sentiment dissuade plantation companies from scrutinising or querying the details of management, which is a feature of the public joint stock company, the prevalence of interlocking directorates between the British agency houses and the British plantation companies serves to assure the former of an even freer rein than the interests of plantation shareholders may warrant.

The parasitism of the Managing Agency system; feeding upon the economic surplus of the plantations, is the inevitable result of monopoly power. Having seized all the trade they could lay their hands on, the old agency firms have become firmly entrenched, shutting out new-comers and maintaining profit margins in lines of business where risks are now minimal and the degree of expertise required is either relatively slight or is available in greater abundance than before. The establishment of cable services, comparative stability in foreign exchange rates and greater regularity of shipping have reduced the business risks which the agency houses coped with in their prime. As time went on, the growth of new markets and sources of supply enabled some of the business originally in the hands of British firms to be secured by Indian and Ceylonese merchants, but in the actual conduct of the export trade itself this has happened only to a very small

extent. The result is merely that these firms, though no longer an important source of plantation finance, exercises a virtual monopoly in the access to these facilities now provided by specialised institutions such as the exchange banks and other British commercial houses, particularly the produced brokers. A significant feature of the actual plantations which they manage, is that they require practically no fixed capital. Yet instead of proving a tempting ground for interlopers, the preponderant share of the managing agency business has remained with the older firms owing to the control which they initially gained over the commanding positions of the island's export economy.

### Perspectives Ahead

The colonial liberation movement basically signify the irrepressible urge of the Asian, African and Latin American people to decide their own destiny. The successful conclusion of these movements involving the total liquidation of colonialism is inseparable from the creation of an economy that is free from external restraints and distortions, Such a task of building up the national economy cannot, however, be accomplished within the framework of the capitalist system, which would reproduce on a national scale the larger contradictions of imperialist economy. The passage from colonialism to independence entails the development of socialist economic forms. And it is their capacity for raising rapidly the material and cultural conditions in under-developed countries which also confronts Imperialism with its most frightening prospect of the colonial struggles of our time. Focussing attention on this Walter Lippman the American commentator wrote; "We delude ourselves if we do not realise that the main power of the communist states lies not in their clandestine activity but in the force of their example, in the visible demonstration of what the Soviet Union has achieved in forty years, of what Red China has achieved in about ten years... the communists are expanding in Asia because they are demonstrating a way, of raising quickly the power and the standard of living of a backward people'. (Manchester Guardian, November 13, 1958).



## POORNA BAHADUR (Nepal)

Let me congratulate the Asian Economic Bureau of Ceylon for the timely initiative taken in arranging this very important seminar. At the same time we are very grateful to the host country here for the very kind hospitality that we have been accorded.

Friends, we come from a small landlocked country the kingdom of Nepal lying between the two subcontinents of China on one side along the snowy Himalayas on the north, and the Indian Union on its three other sides, with an area of about 56,000 sq. miles and with a total population of about 9.4 millions. You will perhaps visualise Nepal better if you know that Nepal is the birth-place of Lord Buddha or that Nepal is the home of the Gurkhas who are being recruited for the last one century in the British and Indian armies and who despite the moral and social reactions it has set up are the source of quite a substantial foreign exchange. You will find that it is centrally situated in the Asian land mass, with its sloping gradient towards the South. Although lying near the sub-tropical belt, the country being mostly covered with hills and mountains on its higher latitudes possesses only a thin strip of plains on its south, and therefore all the variations of climatic zones from the Equatorial to the polar zones are to be found within this narrow latitudinal strip. This is perhaps a unique feature of Nepal amongst all other countries in the world and therefore commands a potentiality for tourist industry, besides being a challenging region to the mountaineering expeditioners. Three major rivers with their network of tributaries drain the country towards the south and join the river Ganges in the Indian plains with its outlet in the Bay of Bengal. The rivers are not navigable except near the southern borders in the plains to the sea which of course requires bilateral agreements with India and this can be another route of transport and communication to the sea. Because of the high gradients of the country, it possesses one of the richest water-power potentials. One of them, i. e. the river Kosi when it flows later through the Indian plains, devastates them by means of its floods during the rains and can be fittingly called India's sorrow. Hence Nepal has agreed to allow the Indian Government to harness it and the other one, i.e., the Gandak, at the border and to utilise the water so collected

to tap water-power, electricity and mainly to irrigate the water-parched-lands of the Indian plains. The country is rich in forests both in the hills of the middle zone and of the southern plain zone. These on its southern side which until some decades ago was covered with dense and malarious forests have been gradually deforested to rehabilitate the growing population or the immigrants from India. You will naturally expect the country to be rich in mineral resources; but these are yet to be surveyed properly and their deposits evaluated. Iron is found in abundance, copper, talc, zinc, mica are also found. There are indications for petroleum; but coal is yet to be found out to be worked in sufficient quantities except for some small private individuals working in negligible quantities; mines have not yet been exploited to any appreciable degree. Agriculture in its primitive form is still the principal occupation of the people. Whatever trade and industry there is, the Indian immigrants hold the major portions. We believe that this summary of the geographical description of our country will enable you to have some idea of Nepal in its configurational shape.

## II

Now let me give you a socio-political background of Nepal's economic condition. Nepal for more than a century till 1950 under the family rule of the Ranas usurped authority of the state from the king through bloodshed, was a sealed country; and state relations were mainly with the British in India or the United Kingdom. The King was a virtual prisoner in his own palace. The State under the Ranas was run as a familial private-property and the prime minister used to invest huge sums of money thus appropriated in foreign banks. Recruitments of the Gurkhas in the British and Indian armies was allowed from that time onwards. Nominal type of post offices were run by the British-Indian Government; the Indian Embassy in Kathmandu which took over the post and telegraph office after the Indian Independence in 1946 still runs there; dual currencies of India and British have been prevalent; all education was strictly controlled, there have been only one high school and one miniature college in the whole of Nepal. All mass media communication like radio and press were prohibited. Primary products like grain, timber, jute

herbs, ghee (butter) oranges were exported mainly to India and there were imports of modern stationery articles. Of course, during the time of the later Ranas, a few industries of jute, sugar, etc., which were started during the Second World War, showed some signs of prosperity initially, but began to languish later. There was no freedom for the people who were suppressed and opposed ruthlessly. So the people rose in revolt in 1960, but it was not for gaining the country's sovereignty and independence for the country has ever been independent, it was for their own freedom and for developing the country. In this the king who had all along been a virtual prisoner in his own palace also took an active part. The present king who was then the crown prince as also his two other brothers were solidly behind their father. In this the Indian Government also gave full and active support and India had its own reasons for doing so. The Ranaarchy was done away with. The feudal Rana junta who ran the administration primitively were ousted. Parliamentary democracy was adopted in principle. The people expected big things and naturally too; and there was national upsurge for development. Thus it was only after 1951 that any concerted attention began to be given to the country's economic development. In the absence of any mobilization of economic resources and any policy for economic development, the country's economy had remained stagnant for over a century. After February, 1951 some steps were taken to foster the climate of national development; still nothing could be done to step up the rate of economic development. All such efforts were governing and did not properly take into account the basic difficulties of the country's economy. Even a few of development projects undertaken before 1956 could not yield any significant result. There was some apparent increase in area under cultivation. The monetary and foreign exchange position also was worsening, aggravated by the existence of uncontrolled dual currencies, and the exchange rate of the Nepalese rupee for the Indian rupee was becoming unfavourable. The price-level was going up. The balance of trade was becoming more and more unfavourable in the absence of an increase in exportable surplus. Such was the general condition. On the other hand leaders were corrupt and quarrelled among themselves for their selfish interests. The parliamentary democracy looked quite unsuited to the tastes of the people and to the soil, rather more

of the political leaders tried to gamble with the very sovereignty and independence was endangered. The country was in a chaotic state. But on the other hand the national urge to develop the country progressively is constantly increasing. The Government is therefore faced with the tremendous problem of having to cope with the needs of the awakened and awakening millions with the scant resources at hand. This is a formidable challenge to the Government. Under the circumstances the king took a bold step in Dec. 15, 1960 and took over the administration. In keeping with the principle of sharing the administration with the people and thus of giving them a direct share in the development works of their villages, districts or of the country itself, a four tier system called panchayat and of a type similar to the basic democracy, has been introduced in the country. This system is based on the conviction that government should be run through popular representatives elected at various levels from among the representatives of various villages and city Panchayats freely elected by the people and that it can justify itself only by going ahead with every possible development work. This system is taking roots in our body politic and is now operating.

### III

This new Panchayat system under the leadership of His Majesty King Mahendra can be an effective instrument for mobilizing the people in the country's development works, while at the same time giving them a direct share in its administrative at the different levels. It is true that the achievement of the First Five Year Plan (1956-61) are inconsiderable compared to its targets, although there have been important gains in some sectors like education and village development activities from the long term point of view. But the experience gained thereby has enabled the government to implement the Second Plan, which is realistically aimed at correcting the administrative defects and at setting up an infra-structure for the more ambitious plans ahead. To bring about the improvement in administration, development of transport, communication and power receive high priorities. The landlocked nature of Nepal has beset it with formidable difficulties. So far the nearest port is some 500 miles away in Calcutta, India, where among other things, the red-tapism has been visiting upon the Nepali

people, in the clearing of the goods, like a curse. Under the leadership of his Majesty king Mahendra attempts are being made to remedy this state of affairs and with the co-operation of our neighbours and of the world. We wish to have the problem of Trade and Transit solved for Nepal and the similarly situated land-locked countries. Another factor affecting country's development and living costs due to our historical and geographical association with the adjacent India is that any rise in the price level arising out of the inflation trends produced by India's implementations of the five year plans, induces simultaneously the rise in the price of goods imported from India, thus indirectly taxing the Nepalese life or what is the same thing, coercing the people of an independent and sovereign Nepal to finance India's Five Year Plans when Nepal herself is having difficulty to finance her own development projects and to meet the costs of her ever expanding administration. So far India commands a major trade in exports and imports with Nepal; and whereas Nepal imports finished or semi-finished goods from India, she exports only primary goods like rice, timber, mica, herbs, sabai grass for paper, forest products, hides, etc., to India. Trade and even postal terms with India needs improvement since goods on transit in Calcutta and meant for Nepal often prove to be a source of torture, harassment and loss to the Nepalese people; delivery of the goods tantamount almost to economic blockade have often been held up at the borders, whether on the eve of the greatest festival too. Nepal's has ever been a policy of friendship and goodwill towards all and ill-will towards none, -- an independent policy of non-alignment and no military pacts. Nepal has always served as a meeting ground of the influences emanating from the North and the South, and has sometime also acted as a catalyst for these influences and adopted them to our own stem and pattern of life and thought; and if Nepal asserts and exercises the right to pursue from any quarters her national destiny and evolve a political and economic system suited to her own needs, tradition and genius, all that Nepal expects from the neighbours and friends is sympathy and understanding, and every kind of assistance and co-operation which they can render her in advancing the economic and social development of the country.

Although most of the countries in Asia and Africa have recently become politically free, they have yet to do so economically. They lack capital, they lack technological skill; and primitive or feudal administrative machinery also is not suited to cope with the demands necessary for the modern progressive development works. Foreign capitalists and monopolists come in and try to dominate. The imperialists seemingly exit from the front door, but come in by the back door. So what is necessary is self-reliance and determination to win. The objective should be an independent economy which does not mean, of course, a "closed or isolated economy", and does not run counter to the principles of international co-operation. Rather it constitutes a guarantee for developing it more satisfactorily, if each produce essential goods or those in great demand and solve the question of those goods in short supply through international co-operation outside or with fraternal countries. This brings into broad prominence the need for a radical improvement in the structure of world trade to do away with practices whereby the strong capitalist powers make unfair profits on trade with weaker countries. The prices of primary products are pulled down year by year whereas those of manufactured or semi-manufactured goods are raised higher e.g. coffee, banana, sugar in pre-Castro Cuba, rubber, etc. It is well that the world conference on trade and development under the auspices of the U. N., which was first recommended by the Economic Conference of 34 Afro-Asian-Latin American countries held in Cairo in July 1962 and adopted by U. N. General Assembly in 1963 will discussed one of the main problems. That is the ever-widening difference between the prices of the primary and manufactured or semi-manufactured products. This necessitates the devising of measures for doing away with non-equivalent exchange in trade practices. The losses incurred by the less developed countries as a result of non-equivalent exchange with the advanced countries, far exceed the so-called aid the former receive from the latter. It is to be seen further whether the Conference agree to set up an International Trade Organisation. But there is one thing to be borne in mind that the U. N. without the mainland China of nearly 600 to 700 millions population being represented therein is a mockery;

China is not going to and cannot be isolated and the existence of China is a hard reality, which cannot be ignored. Till then there cannot be world peace, in spite of much fuss about it.

In the light of the foregoing, it is now time to make an examination of the establishment of independent economy in Asia, Africa, and Latin America. It should brook no delay if only because huge sums of money are required if the long term development in these countries are to be implemented. The following sources can be tapped to obtain these big sums:-

Of course, there is first the source of production. Man is the chief source of production. Proper mobilisation of man power or population power has done wonders in the rapid development or nation building activities. Then there are:-

- (1) Internal accumulations obtained in part through the diminution and eventual abolition of non-equivalent exchange in trade with the industrial capitalist countries.
- (2) A substantial increase in taxes on the projects made by foreign private capital invested by the monopolists in these countries.
- (3) Organisation of a state sector of economy independent foreign monopolies. This can be an increasing source of finance.
- (4) Part of the money which could be released by the implementation of general and complete disarmament. This can be an important source of finance.
- (5) Loans and establishment of international regional banks.
- (6) Reduction in invisible trade rates like shipping, insurance, transit and transport, etc.
- (7) The Socialist countries show much understanding and sympathy to the underdeveloped countries; and relations with them are found to be much more favourable.

Friends, we have presented before you a pen-picture of our economy, the difficulties we face and our views on the problems confronting us in general. Gatherings like these help us much to discuss our common problems and exchange our view and to come closer amongst ourselves. It is a matter of encouragement that the countries of Africa have been able to achieve a greater degree of unity amongst themselves. The world knows that Asia and Africa possess the greatest land mass, largest population of the globe and the most ancient traditions and cultures. Yet because we were divided when the colonialists and the imperialists came, they were able to subdue us and to exploit us. More than a century ago one far-sighted and patriotic statesman Prime Minister of Nepal tried to expose the evil designs of the then incoming westerners in Asia and gave a call to drive them out. In this he was sadly betrayed by one of his southern neighbours; and he died a very sad death. Their hold in Asia and Africa became firmer and more secure. They became more and more industrialised and richer on our subjugation and exploitation. They annihilated our industries, and subdued our traditions and culture. After the last second world war, most of the countries have freed themselves politically and hence we are new nations. Unity, co-operation and solidarity are our strength.





## SUMMING UP DISCUSSION ON "NEO-COLONIALISM AND ASIAN ECONOMIES"

F. Runturambi (Indonesia)

Many delegates have made general remarks on the report "on Neo-Colonialism and Asian Economies".

Fellow delegates who have spoken earlier on the first subject of the agenda presented by our Korean friend have also made refereme to neo-colonialism, among others, delegate from Nepal. I also particularly thank the African, Australian, and New Zealand delegations for their valuable contribution.

And I have a strong belief that fellow delegates who have not the opportunity to speak have also ideas on the second report presented to all of you.

For instance our friends from Palestine and South West Africa have suggested some valuable remarks on their countries which could be added to the report.

For all of this I would like to thank you first. Because all of you have made a great contribution to the improvement of the report. I particularly thank the African fellow delegates who also expressed their feeling that their experiences under the colonial and neo-colonial pressure are also represented in the report and that the U. S. imperialist is the common enemy of the Asian and African peoples.

I would like to summarise briefly that the general remarks have a fourfold character.

**Firstly**, the general remarks enrich the economic and political facts from various countries which generally speaking confirm the main conclusion found in the report on colonialism in economic and political fields in the newly independent countries and the intensive colonialist exploitation in the colonial countries.

**Secondly**, the general remarks show by striking examples that the cruel United States imperialism is the most dangerous among the imperialists who have become more aggressive against the people struggling for their full political and economic independence. It is among others shown by our beloved

fellow delegates from South Viet-nam and Korea who clearly depicted the heroic South Vietnamese and South Korean people on one side and the barbarous activities of U. S. imperialism and its puppets on the other side. The harmful U. S. economic aid for the recipient countries is always linked with political and military aggression.

As has been expressed by our fellow delegate from Australia there is always a close relationship between American economy and military policy and neo-colonial policy.

**Thirdly**, generally speaking, the general remarks share the opinion that the revolutionary struggle of the people should not be hampered by any power within and without the country, not even by the nuclear barons, that all fighting nations have not the illusion that imperialism could be wiped out automatically by economic competition or peaceful co-existence between the revolutionary struggle of the peoples and the imperialist powers headed by the U. S. imperialists.

There is a growing strength in the anti-monopoly front by the activity of the trade union movement. We have to be vigilant against the encroachment of the conciliatory and reformistic policy in the trade union leadership.

**Fourthly** generally speaking, the general remarks share the opinion that economic emancipation cannot be separated from full political independence and in fighting against all forms of colonialism especially neo-colonialism.

The economic construction of the newly independent countries could be based on the basis of self-reliance in calculating the real internal economic and political conditions of the respective countries in Asia. As an additional but important factor in developing the national economy of the newly independent countries, fraternal economic cooperation between the nations should be applied based on equal rights and mutual benefit.

Finally, I thank all of you for your great attention to the report "on Neo-Colonialism and Asian Economies,"

Long Live the Pyongyang Economic Seminar!







**Mr. Choi Young Kun, President of the Presidium of the Supreme People's Assembly of the Democratic People's Republic of Korea delivering his congratulatory speech at the opening session.**

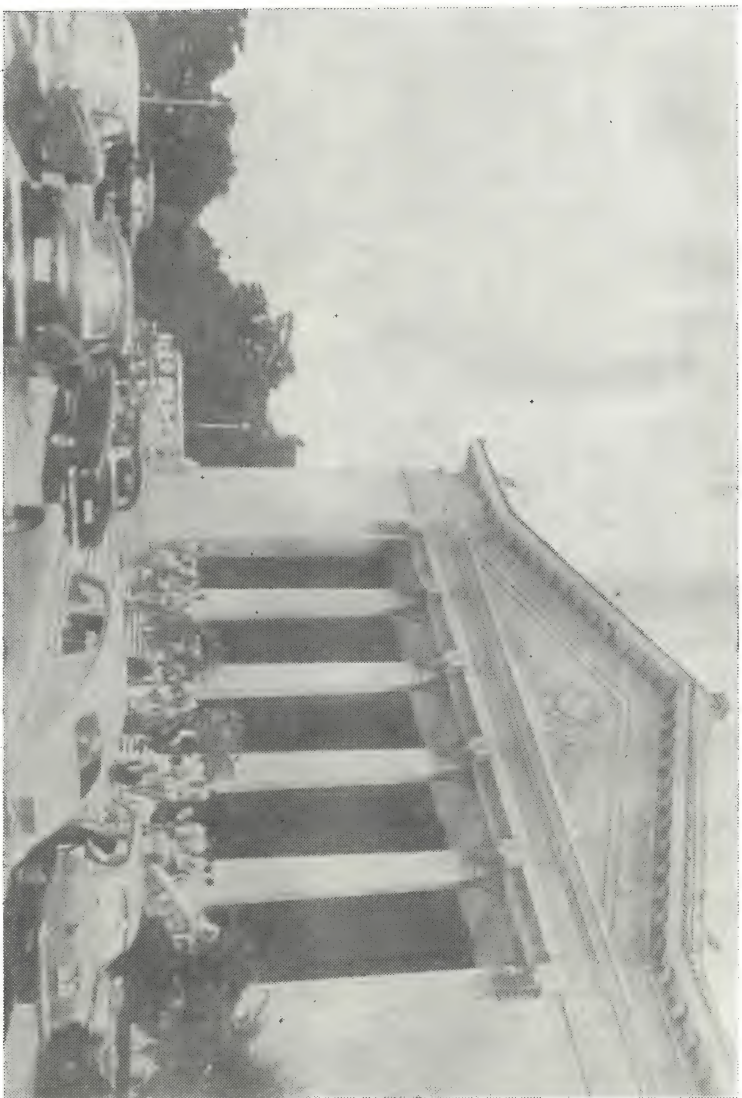


Mr. Choi Young Kun, President of the Presidium of the Supreme People's Assembly of the Democratic People's Republic of Korea, with all the participants of the Asian Economic Seminar after its opening session on June 16.



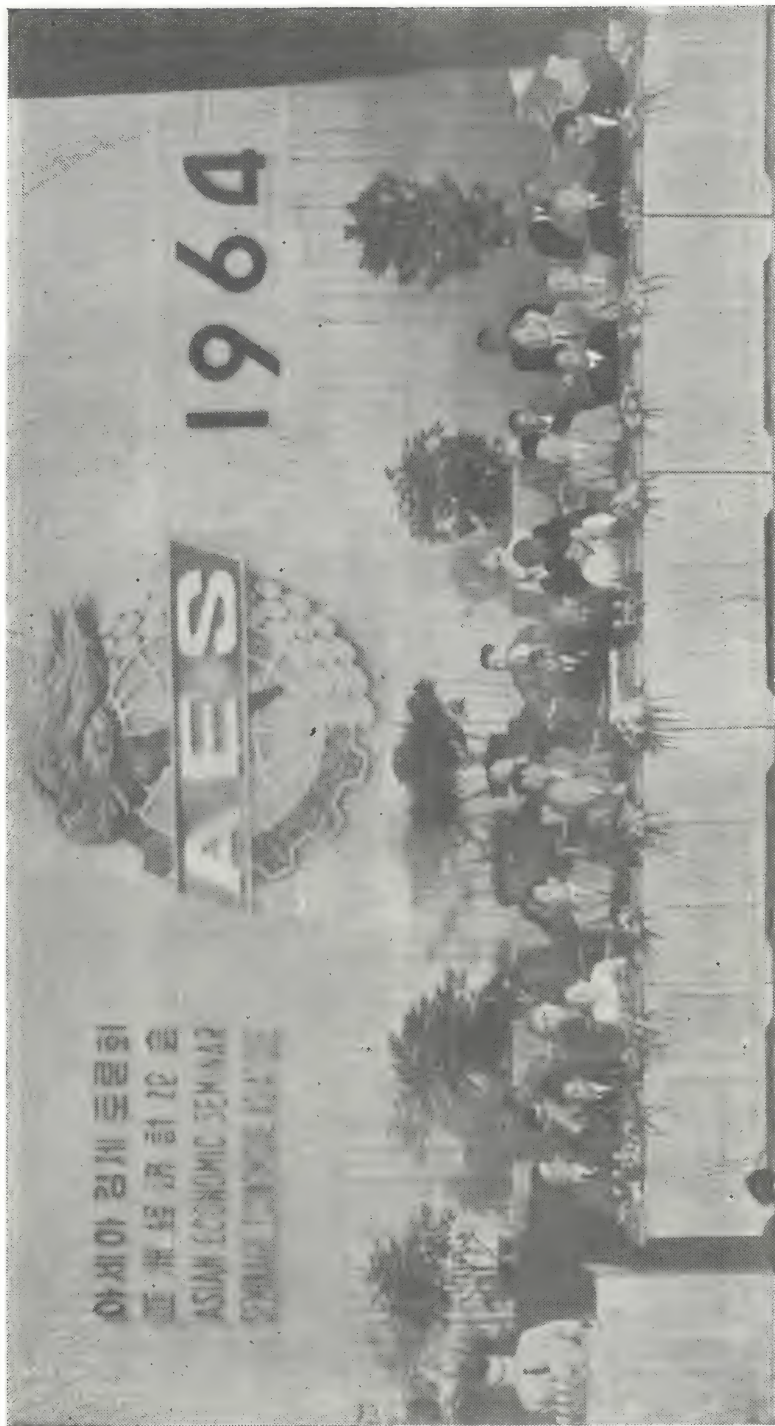
Premier Kim Il Sung received on June 23, all the participants of the Asian Economic Seminar.





Outside the meeting place of the Asian Economic Seminar.

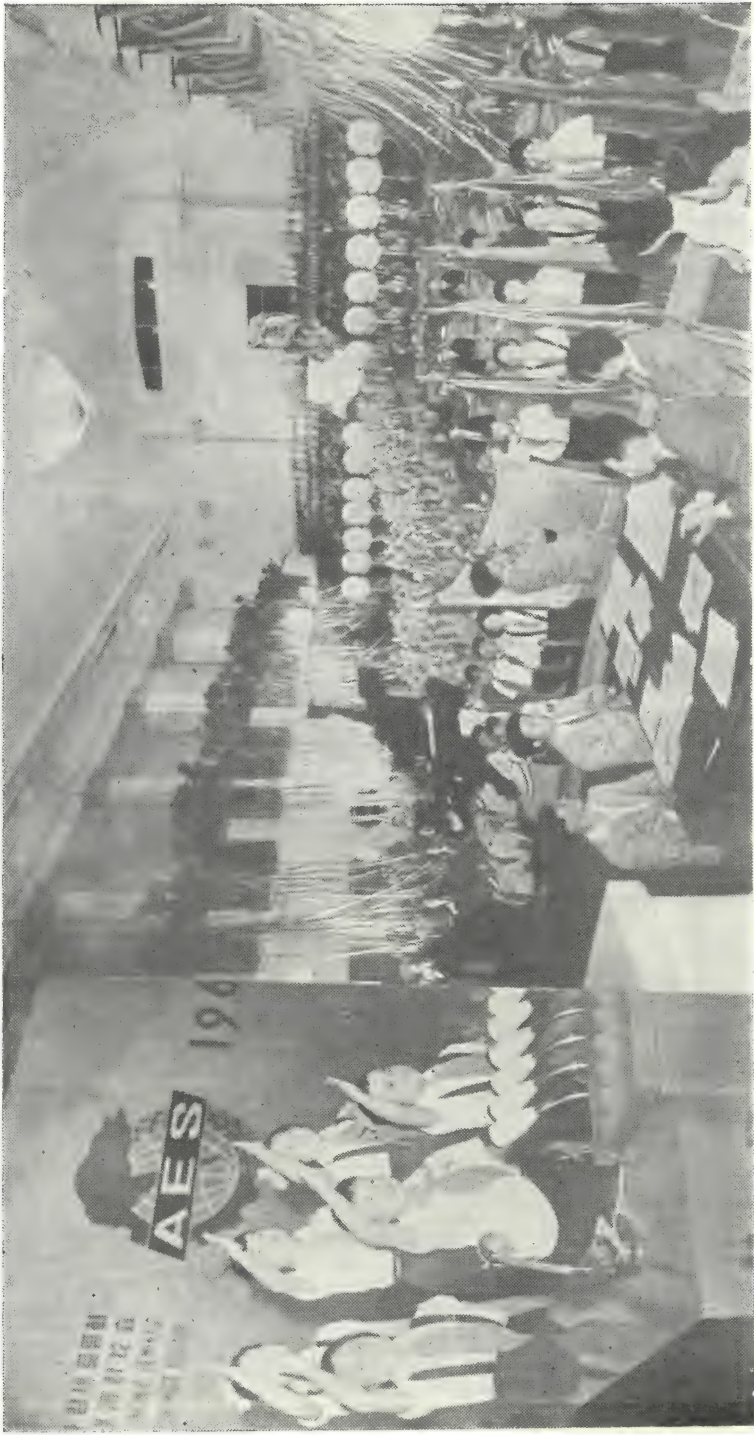




Platform at the opening session of the Asian Economic Seminar.



The meeting place of the Asian Economic Seminar — Moronbung Theatre



At the opening of seminar on June 16, the congratulatory group of the Korean Young Pioneers warmly greeted the Asian Economic Seminar





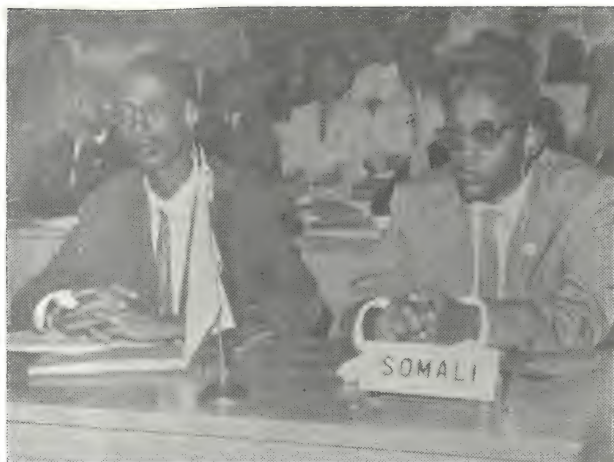
Premir Kim Il Sung received on June 15 Theja Gunawardhana, Chairman of the Asian Economic Bureau and Head of the Ceylonese Delegation.



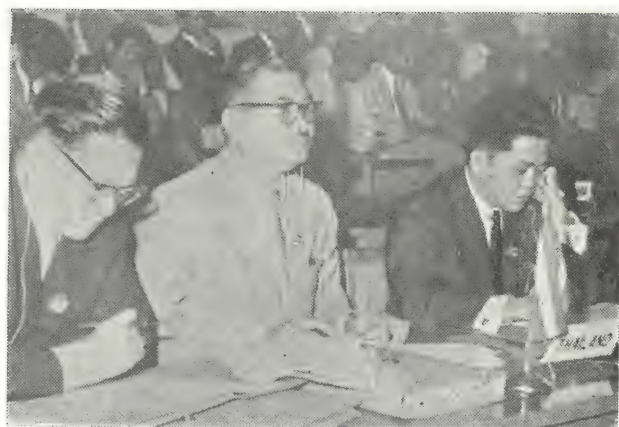
**Nam Choon Hwa**  
*Leader of Korean Delegation*



**M. Wadade**  
*(Uganda)*



**Abdul A. Hersi & Farah**  
*(Somali)*



**Saing Marang-Kul & Suchint Akrasmit**  
*(Thailand)*



**I. M. Garba – Jahumpa**  
*(Gambia)*



**M. H. A. Majeed & Y. F. Said**  
*(Iraq)*

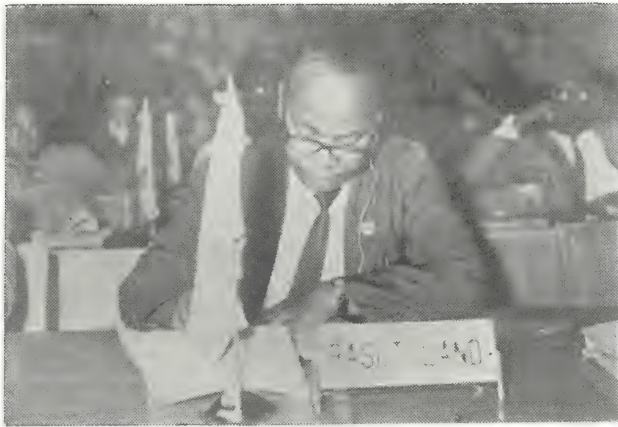


**F. Runturambi & Suprijo**  
*(Indonesia)*



**Kwesi-Ghapson and Annon-Opprensen**  
*(Ghana)*

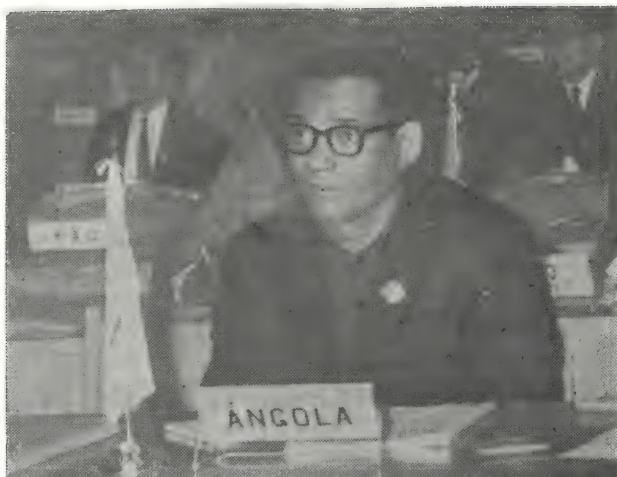




**Tello Nkhereanye**  
(*Basutoland*)



**Lourenco Mutaca**  
(*Mozambique*)



**Dacruz Viriato**  
(*Angola*)



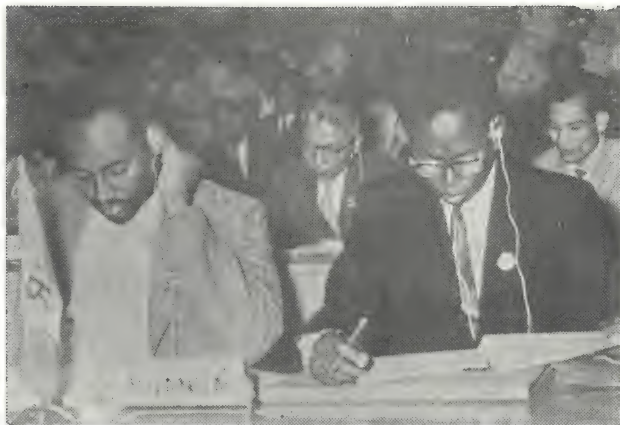
**Marie de Silva**  
(*Ceylon*)



**Nan Han-Chen** (*Leader*)  
(*P. R. of China*)



**Temmar Hamid**  
(*Algeria*)



**Kayihura Michel and K. Kizito**  
*(Rwanda)*



**Hiroshi Umehara**  
*Presenting Report of Asian Economic Bureau*



**Jun Byung Chul and other Korean delegates**



**Nguyen Thi Binh and Le Thi Cao  
(South Vietnam)**





**Fasso Francois**  
(Cameroon)



**Katjimuna Veii**  
(S. W. Africa)



**A. M. Kheir and Z. M. Kheir (observer)**  
*(Sudan)*



**Ali M. Muhammed**  
*(Zanzibar)*



**Abdul F. Yunes**  
(Syria)



**Achmad Fadillah, M. J. Abbas and A. Jusuf**  
(N. Kalimantan)





**Poorna Bahadur, Radha Shreshtha and Pashupati N. Chesh**  
*(Nepal)*



**Duong V. Dam, Nguyen Dai, Nguyen L. Con and Phan H. Doi**  
*(D. R. of Vietnam)*



**F. N. Macharia and N. P. Gor**  
*(Kenya)*



**Singama Luvila and M. Zacharie**  
*Congo (Leopoldville)*



**Tokuma Utsunomiya and K. Saionji**  
(*Japan*)



**Bobby Mack**  
(*Bechuanaland*)



**Rewi Alley**  
(*Asian Pacific Liaison Committee*)



**Rev Victor James and Betty M. Little**  
(*Australia*)



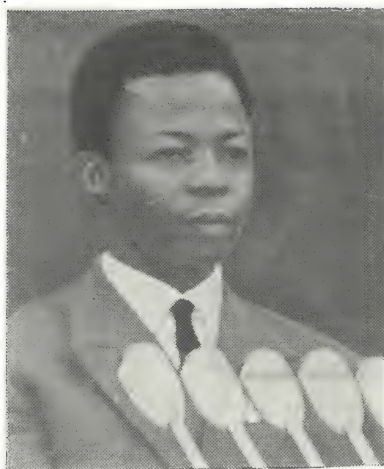
**Aboubakar Abdou (Niger)**



**Hon: S. B. Kouyate,**

**S. Sissoko & B. T. Traore (Republic of Mali)**

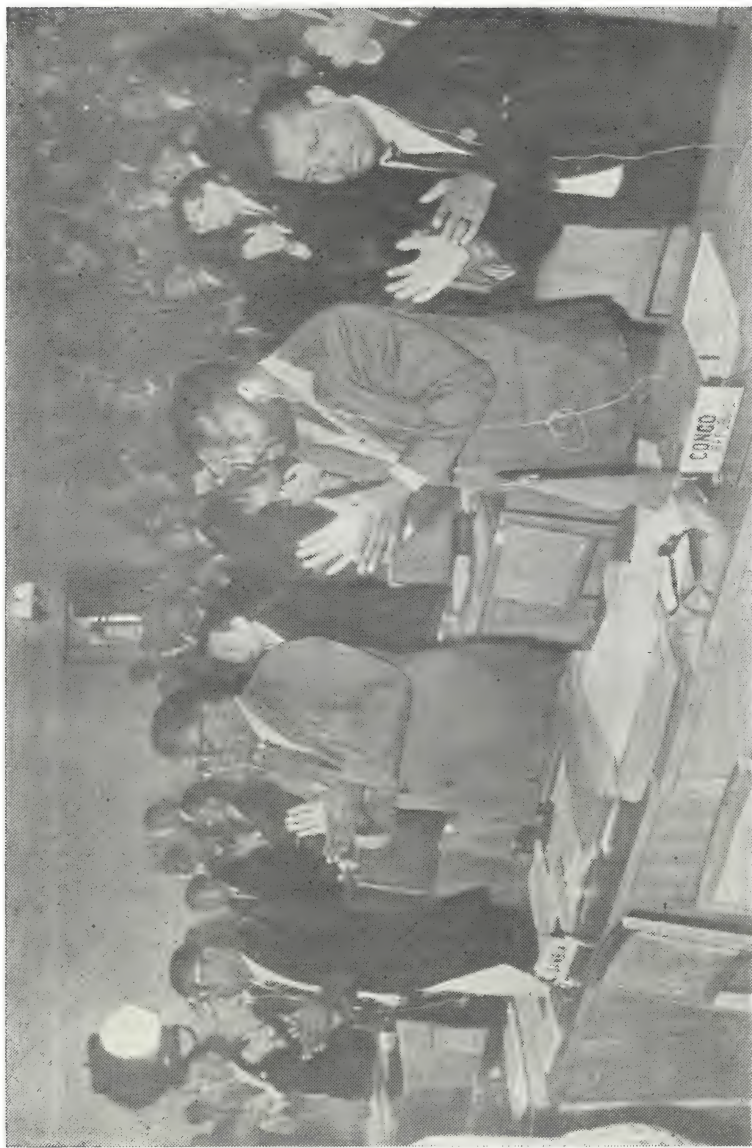




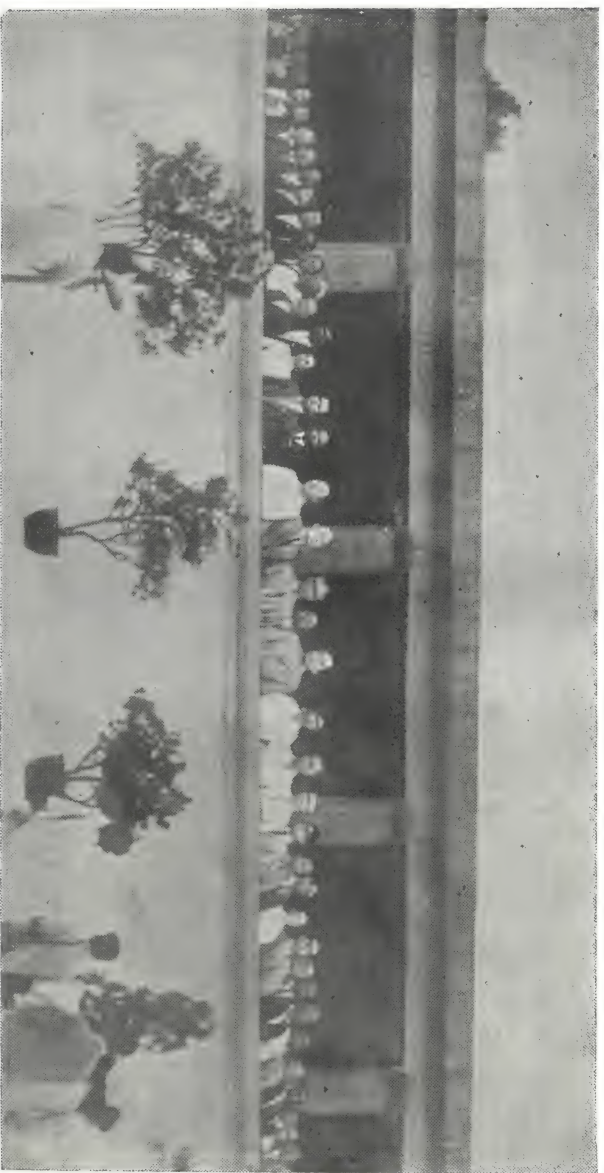
Hon. S. B. Kouyate, Head of Mali delegation reading A. E. S. Pyongyang Declaration "On the construction of an Independent National Economy by Relying on One's Own Efforts," at the closing session.



Jun Byong Chul, Vice-head of the Korean delegation reading the "Resolutions" of the Asian Economic Seminar



**“Pyongyang Declaration” and “Resolution of the Asian Economic Seminar” were unanimously adopted at the closing session on June 23.**



**Platform of the Pyongyang City mass rally on the "Day of the struggle for the immediate withdrawal of the U. S. army from South Korea".**

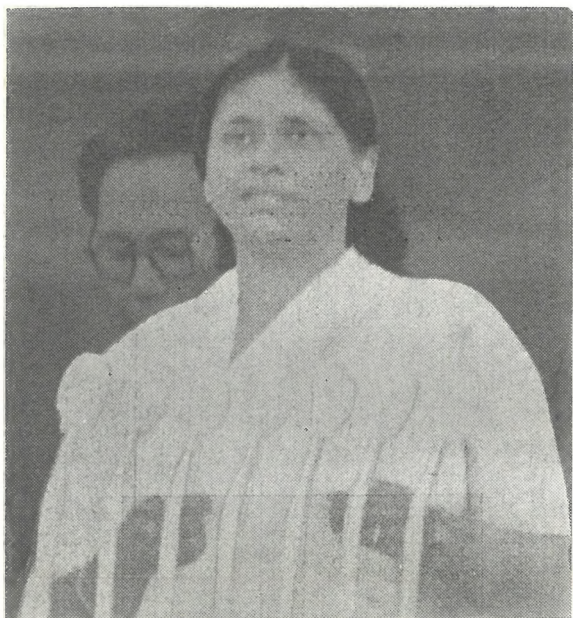




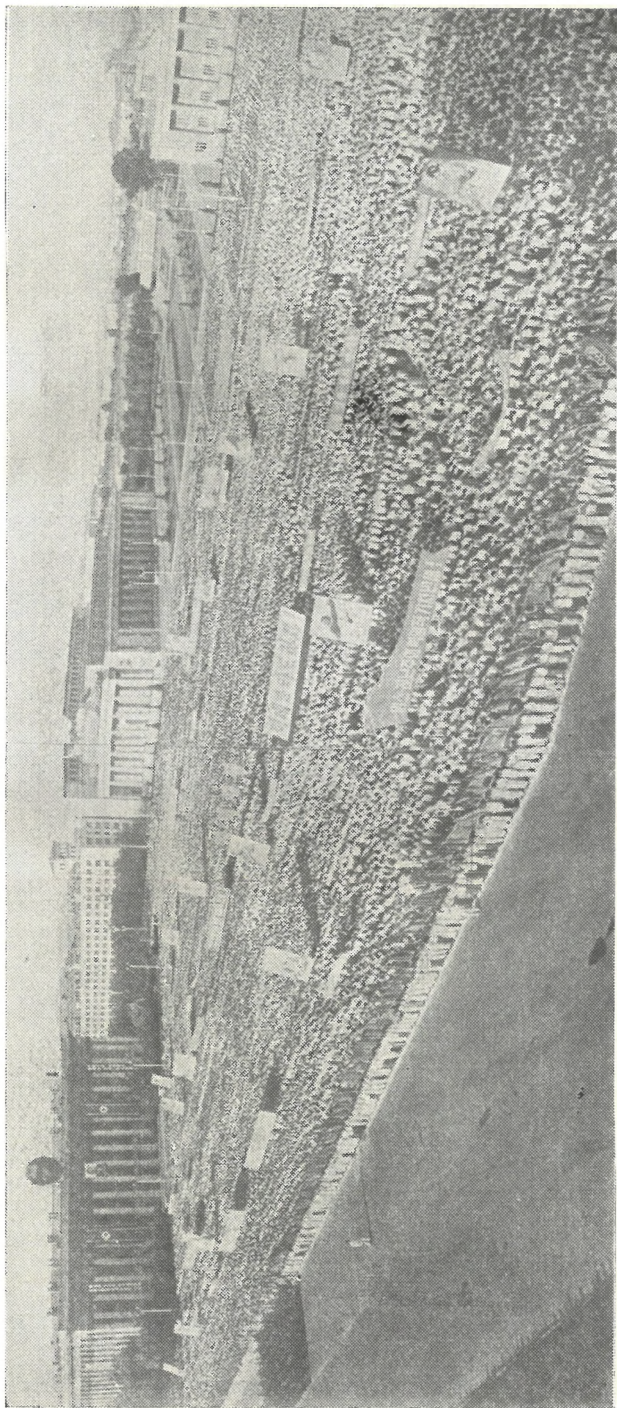
**Kim Wal Ryong**  
*Chairman of C.C.G.F.T.U. of D.P.R.  
Korea Speaking at Mass rally*



**Mario Felery (Observer:)**  
*Bolivia Speaking at Mass rally*



**Theja Gunawardhana, Chairman of the Asian Economic  
Bureau speaking at the rally.**



Part of 200,000 people participating in the Pyongyang City mass rally on the "Day of the struggle for the immediate withdrawal of the U. S. army from South Korea".

